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PRANIK LOGISTICS LIMITED



CIN: U60231WB2015PLC205412

Draft Red Herring Prospectus

Dated: June 15, 2024

100% Book Building Offer

Please read Section 26 and 32 of Companies Act, 2013

| REGISTERED OFFICE | CORPORATE OFFICE | CONTACT PERSON | EMAIL & TELEPHONE | WEBSITE |
|---|-------------------------------------|---|---|--|
| P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal – 700091 | N.A. | Mr. Ayon Biswas Company Secretary & Compliance Officer | ayon@pranikgroup.com & +91 7667852418 | www.pranikgroup.com |
| NAME OF THE PROMOTERS OF THE COMPANY | | | | |
| MR. PRANAV KUMAR SONTHALIA, MS. SHRADHA KUMARI AND MS. MINAL SONTHALIA | | | | |
| DETAILS OF OFFER TO PUBLIC, PROMOTERS/ SELLING SHAREHOLDERS | | | | |
| Type | Fresh Issue Size (by No. of shares) | OFS* Size (by No. of shares) | Total Issue Size (by No. of shares) | Eligibility & Share Reservation among NII & RII |
| Fresh Issue | 29,18,400 | NIL | 29,18,400 | The Offer is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations. For details of Share reservation among QIBs, NIIs and RIIs, see "Issue Structure" beginning on page 334. |
| *OFS: Offer for Sale | | | | |
| Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto maximum of 10 shareholders) | | | | |
| Name | Type | No. of shares offered/ Amount in Rs. | WACA in Rs. Per Equity Shares | |
| NA | | | | |
| P: Promoter, PG: Promoter Group, OSS: Other Selling Shareholders, WACA: Weighted Average Cost of Acquisition on fully diluted basis | | | | |
| RISKS IN RELATION TO THE FIRST ISSUE | | | | |
| This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of our Equity Shares is ₹10 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in "Basis for Issue Price" on page 110 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing. | | | | |
| GENERAL RISK | | | | |
| Investments in Equity and Equity related securities involve a degree of risk, and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 27 of this Draft Red Herring Prospectus. | | | | |
| ISSUER'S ABSOLUTE RESPONSIBILITY | | | | |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. | | | | |
| LISTING | | | | |
| The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange. | | | | |
| BOOK RUNNING LEAD MANAGER TO THE ISSUE | | | REGISTRAR TO THE ISSUE | |
|  NARNOLIA FINANCIAL SERVICES LIMITED Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India Telephone: +91- 8130678743 Email: ipo@narnolia.com Website: www.narnolia.com Contact Person: Mr. Pankaj Pasi SEBI Registration Number: INM000010791 CIN: U51909WB1995PLC072876 | | |  MAASHITLA SECURITIES PRIVATE LIMITED Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi - 110034, India Telephone: 011-45121795 Email: ipo@maashitla.com Website: www.maashitla.com Contact Person: Mr. Mukul Agrawal SEBI Registration Number: INR000004370 CIN: U67100DL2010PTC208725 | |
| BID/ISSUE PERIOD | | | | |
| Anchor Bid opens on: [●] | | Bid/ Issue open on: [●] | | Bid/ Issue Closes on: [●] |

**PRANIK LOGISTICS LIMITED**

Our Company was incorporated as a Private Limited Company under the name of “Pranik Logistics Private Limited” under the Companies Act, 2013 vide certificate of incorporation dated February 24, 2015, issued by Registrar of Companies, Kolkata, bearing CIN U60231WB2015PTC205412. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on January 15, 2024 and the name of our Company was changed from “Pranik Logistics Private Limited” to “Pranik Logistics Limited” & Registrar of Companies, Kolkata has issued a new certificate of incorporation consequent upon conversion dated March 07, 2024, bearing CIN U60231WB2015PLC205412.. For further details of incorporation please refer to section titled “Our History and Certain Other Corporate Matters” beginning on page 185 of this Draft Red Herring Prospectus.

Registered Office: P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal – 700091

Tel: +91 7667852418, **Fax:** N.A., **Website:** www.pranikgroup.com, **E-mail:** ayon@pranikgroup.com

Company Secretary & Compliance Officer: Mr. Ayon Biswas:

PROMOTERS: MR. PRANAV KUMAR SONTHALIA, MS. SHRADHA KUMARI, AND MS. MINAL SONTHALIA

THE ISSUE

INITIAL PUBLIC OFFERING OF UP TO 29,18,400 EQUITY SHARES OF RS. 10/- EACH (“EQUITY SHARES”) OF PRANIK LOGISTICS LIMITED (“PRANIK” OR “PLL” OR THE “COMPANY”) FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO RS. [●] LAKHS (“THE ISSUE”). OUT OF THE ISSUE, 1,61,600 EQUITY SHARES AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 27,56,800 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.51 % AND 25.04 %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

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

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

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis (“Anchor Investor Portion”). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (“Net QIB Portion”). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see “Issue Procedure” on page 295.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10. The Issue Price, Floor Price or the Price band as stated under the chapter titled “Basis for the Issue Price” beginning on page 110 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 27 of this Draft Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

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

BOOK RUNNING LEAD MANAGER TO THE ISSUE**REGISTRAR TO THE ISSUE**
NARNOLIA FINANCIAL SERVICES LIMITED

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

Telephone: +91- 8130678743;

Email: ipo@narnolia.com

Website: www.narnolia.com

Contact Person: Mr. Pankaj Passi

SEBI Registration Number: INM000010791

CIN: U51909WB1995PLC072876

**MAASHITLA SECURITIES PRIVATE LIMITED**

Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi - 110034, India

Telephone: 011-45121795

Email: ipo@maashitla.com

Website: www.maashitla.com

Contact Person: Mr. Mukul Agrawal

SEBI Registration Number: INR000004370

CIN: U67100DL2010PTC208725

BID/ISSUE PERIOD

Anchor Bid opens on: [●]

Bid/ Issue open on: [●]

Bid/ Issue Closes on: [●]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

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

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

General Terms

| Term | Description |
|--|--|
| “Pranik Logistics Limited” or “PLL” or “Pranik”, “We” or “us” or “the Issuer” or “the/our Company” | Unless the context otherwise requires, refers to Pranik Logistics Limited, a company incorporated under the Companies Act, 2013, vide Corporate Identification Number U60231WB2015PLC205412 and having registered office at P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal – 700091. |
| “you”, “your”, or “yours” | Prospective Investor in this Issue. |

Company Related Terms

| Terms | Description |
|------------------------------------|--|
| Articles / Articles of Association | Unless the context otherwise requires, refers to the Articles of Association of Pranik Logistics Limited, as amended from time to time. |
| Associate Companies | A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company. |
| Audit Committee | The committee of the Board of Directors constituted as the Company’s Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 191 of this Draft Red Herring Prospectus. |
| Auditors/ Statutory Auditors | The Statutory Auditors of our Company, being M/s Anand Rajendra & Co., Chartered Accountants having firm registration number 324092E. |



| Terms | Description |
|---|---|
| Board of Directors / Board/ Director(s) | The Board of Directors of Pranik Logistics Limited, including all duly constituted committees thereof. |
| Central Registration Centre (CRC) | It's an initiative of the Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details, please refer http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html |
| Companies Act | The Companies Act, 2013 |
| Chief Financial Officer | The Chief Financial Officer of our Company being Mr. Sujay Kundu. |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Mr. Ayon Biswas. |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| Director | The Director(s) of our Company, unless otherwise specified. |
| Equity Shares | Equity Shares of our Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof. |
| Equity Shareholders | Persons holding equity shares of our Company. |
| Group Companies | In terms of SEBI ICDR Regulations, the term "Group Companies" includes companies (other than promoters and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in "Our Group Companies" on page 216 of this Draft Red Herring Prospectus. |
| HUF | Hindu Undivided Family. |
| Independent Director | A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations. |
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| ISIN | International Securities Identification Number, in this case being INE0VJG01014. |
| Key Managerial Personnel / Key Managerial Employees | Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled "Our Management" on page 191 of this Draft Red Herring Prospectus. |
| MOA / Memorandum / Memorandum of Association | Memorandum of Association of Pranik Logistics Limited. |
| Non-Residents | A person resident outside India, as defined under FEMA. |
| Nomination and Remuneration Committee | The committee of the Board of Directors constituted as the Company's Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page 191 of this Draft Red Herring Prospectus. |
| NRIs / Non-Resident Indians | A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time. |



| Terms | Description |
|--|---|
| Peer Review Auditor | The Peer review Auditors of our Company, being M/s Goyal Parul & Co., Chartered Accountants having firm registration number 016750N and peer review number 015361. |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Promoters or Our Promoters | Mr. Pranav Kumar Sonthalia, Ms. Shradha Kumari, and Ms. Minal Sonthalia. |
| Promoters Group | The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, which is provided in the chapter titled “Our Promoters Group”. For further details refer page 215 of this Draft Red Herring Prospectus. |
| Registered Office | The Registered of our company which is located at P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal – 700091. |
| Restated Financial Statements | The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for the period ended December 31, 2023 and year ended as at March 31, 2023; March 31, 2022 and March 31, 2021 and the restated statements of profit and loss and the restated cash flows for the period ended December 31, 2023 and March 31, 2023; March 31, 2022; & March 31, 2021 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| ROC | Registrar of Companies, Kolkata. |
| SEBI | Securities and Exchange Board of India, constituted under the SEBI Act, 1992. |
| SEBI Act | Securities and Exchange Board of India Act 1992, as amended from time to time. |
| SEBI (ICDR) Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. |
| SEBI Insider Trading Regulations | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI (LODR) Regulations | SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. |
| SEBI (Takeover) Regulations or SEBI (SAST) Regulations | SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time. |
| Stakeholders’ Relationship Committee | The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 191 of this Draft Red Herring Prospectus. |
| Stock Exchange | Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited. |
| Subsidiary | For details of our Subsidiary, refer section titled “History and Certain Corporate |



| Terms | Description |
|--------------------|--|
| | Matters” beginning on page no. 185 of this Draft Red Herring Prospectus. |
| Subscribers to MOA | Initial Subscribers to the MOA & AOA being Mr. Pranav Kumar Sonthalia and Ms. Priti Sonthalia. |

Issue Related Terms

| Terms | Description |
|----------------------------------|---|
| Abridged Prospectus | Abridged Prospectus to be issued as per SEBI ICDR Regulations and appended to the Application Form. |
| Acknowledgement Slip | The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form. |
| Allocation Note | Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange. |
| Allotment/ Allot/ Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants. |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange. |
| Allottee | The successful applicant to whom the Equity Shares are being /have been allotted. |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus/ Red Herring Prospectus and who has Bid for an amount of at least Rs. 200 lakhs. |
| Anchor Investor Allocation Price | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Offer Period. |
| Anchor Investor Application Form | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus. |
| Anchor Investor Bidding Date | The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed. |
| Anchor Investor Offer Price | The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLM. |
| Anchor Investor Portion | Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with |



| Terms | Description |
|---|---|
| | the SEBI ICDR Regulations. |
| Applicant/ Investor | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus. |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus. |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue. |
| ASBA/ Application Supported by Blocked Amount. | Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB. |
| ASBA Account | Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant. |
| ASBA Application Location(s)/ Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat. |
| ASBA Investor/ASBA applicant | Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process. |
| Banker(s) to the Issue/ Public Issue Bank/ Refund Banker. | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [●]. |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the issue and which is described under chapter titled “Issue Procedure” beginning on page 295 of this Draft Red Herring Prospectus. |
| Bid | An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form. |
| Bidder | Any investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor. |
| Bid Amount | The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid |
| Bid cum Application Form | Anchor Investor application form or ASBA form (with and without the use of UPI, as may be applicable), whether physical or electronic, which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus. |
| Bid Lot | [●] Equity Shares and in multiples of [●] Equity Shares thereafter. |



| Terms | Description |
|---|---|
| Bidding/Collection Centres | Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs. |
| Book Building Process | The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made |
| Book Running Lead Manager or BRLM | The book running lead manager to the Issue, namely Narnolia Financial Services Limited. |
| Business Day | Monday to Friday (except public holidays). |
| CAN or Confirmation of Allocation Note | The note or advice or intimation sent to Anchor investors indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the designated stock exchange. |
| Cap Price | The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be atleast 105% of the Floor Price. |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to Demat account. |
| Collecting Depository Participants or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 Issued by SEBI. |
| Controlling Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time. |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details. |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time. |
| Designated Date | The date on which relevant amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Draft Red Herring Prospectus following which Equity Shares will be Allotted in the Offer. |
| Designated Intermediaries/ Collecting Agent | In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub- syndicate members, Registered Brokers, CDPs and RTAs. |



| Terms | Description |
|--|---|
| Designated CDP Locations | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com. |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at Intermediaries [www.sebi.gov.in] or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited. (NSE EMERGE). |
| Draft Red Herring Prospectus | This Draft Red Herring Prospectus dated June 15, 2024, issued in accordance with Section 26 and 32 of the Companies Act, 2013 and the SEBI (ICDR) Regulations and filed with NSE EmERGE for obtaining In- Principle Approval. |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein. |
| Emerge Platform of NSE Limited | The EmERGE Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange. |
| FII/ Foreign Institutional Investors | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India. |
| First/ Sole Applicant | The applicant whose name appears first in the Application Form or Revision Form. |
| Floor Price | The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted. |
| General Information Document / GID | The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and certain other amendments to applicable laws and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI and included in the chapter "Issue Procedure" on page no. 295 of this Draft Red Herring Prospectus. |
| Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/Initial Public Offering/ IPO | Initial Public Issue of 29,18,400 Equity Shares of face value of Rs.10/- each fully paid up of our Company for cash at a price of Rs. [●]/- per Equity Share (including a premium of Rs. [●]/- per Equity Share) aggregating Rs. [●] Lakhs. |
| Issue Agreement/ Memorandum of Understanding (MOU) | The agreement/MOU dated June 05, 2024, between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue. |



| Terms | Description |
|------------------------------------|--|
| Issue Closing Date | The date on which Issue closes for subscription i.e. [●] |
| Issue Opening Date | The date on which Issue opens for subscription i.e. [●] |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application. |
| Issue Price | The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus. |
| Issue Proceeds | Proceeds from the Issue will be, being Rs. [●] Lakhs. |
| Book Running Lead Manager/ BRLM/LM | Book Running Lead Manager to the Offer, in this case being Narnolia Financial Services Limited. |
| Listing Agreement | The equity listing agreement to be signed between our Company and the NSE Limited. |
| Market Maker | Market Makers appointed by our Company from time-to-time [●] having SEBI registration number [●] who have agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time. |
| Market Making Agreement | The Agreement entered into between the BRLM, Market Maker and our Company dated [●]. |
| Market Maker Reservation | The Reserved Portion 1,61,600 equity shares of face value of Rs.10/- each fully paid for cash at a price of Rs. [●] /- per equity share aggregating Rs. [●] Lakh for the Market Maker in this Issue. |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Net Issue/ Offer | The Issue (excluding the Market Maker Reservation Portion) of 27,56,800 Equity Shares of Rs.10/- each of Issuer at Rs. [●] /- (including share premium of Rs. [●] /- per equity share aggregating to Rs. [●] /- Lakhs. |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 95 of this Draft Red Herring Prospectus. |
| Non-Institutional Applicants | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000. |
| OCB / Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue |



| Terms | Description |
|--|---|
| Payment through electronic transfer of funds | Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable. |
| Price Band | The price band ranging from the Floor Price of Rs. [●] per Equity Share to the Cap Price of Rs. [●] per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the BRLM, will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, all editions of [●] being the regional language of West Bengal, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. |
| Pricing Date | The date on which our Company, in consultation with the BRLM, will finalise the Offer Price. |
| Prospectus | The Prospectus to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information. |
| Public Issue Account | Account opened with the Banker to the Issue/Public Issue Bank i.e. [●] by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date. |
| Qualified Institutional Buyers / QIBs | As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 Lakh, pension fund with minimum corpus of Rs. 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India. |
| Red Herring Prospectus/RHP | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Offer Opening Date. |
| Refund Account | Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur. |
| Refund Bank | The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being [●]. |
| Refunds through electronic transfer of funds | Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable |



| Terms | Description |
|-----------------------------------|---|
| Registrar/ Registrar to the Offer | Registrar to the Offer being Maashitla Securities Private Limited. For more information, please refer “General Information” on page 70 of this Draft Red Herring Prospectus. |
| Registrar Agreement | The agreement dated June 05, 2024, entered into between our Company and the Registrar to the issue in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time. |
| Retail Individual Investors | Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for Equity Shares of a value of not more than Rs. 2,00,000. |
| Revision Form | The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application Amounts (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can withdraw or revise their Application until Offer Closing Date). |
| SCSB | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time. |
| Sponsor Bank | Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case being [●]. |
| Underwriter | Underwriter to this Issue is [●]. |
| Underwriting Agreement | The agreement dated [●] entered into between [●] and our Company |
| UPI/ Unified Payments Interface | Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person’s bank a/c |
| Working Days | In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Draft Red Herring Prospectus are open for business. 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Draft Red Herring Prospectus are open for business. 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in |



| Terms | Description |
|-------|--|
| | accordance with circular issued by SEBI. |

Abbreviations

| Abbreviation | Full Form |
|----------------------------|---|
| A/c | Account |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| BIS | Bureau of Indian Standards |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| DCS | Distributed Control System |
| DGFT | Directorate General of Foreign Trade |
| DIN | Director Identification Number |
| DP | Depository Participant |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| EMDEs | Emerging Markets and Developing Economies |
| EPS | Earnings Per Share |
| FDI | Foreign Direct Investment |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under |
| FIIIs | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FIPB | Foreign Investment Promotion Board |
| F&NG | Father and Natural Guardian |
| FY / Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| GDP | Gross Domestic Product |
| GoI/Government | Government of India |
| GST | Goods and Service Tax |
| HUF | Hindu Undivided Family |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| ICSI | Institute of Company Secretaries of India |
| EPC | Engineering, Procurement and Construction |
| MAPIN | Market Participants and Investors' Integrated Database |



| Abbreviation | Full Form |
|---------------------------------|--|
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MoF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| NA | Not Applicable |
| NAV | Net Asset Value |
| NGT | National Green Tribunal |
| NPV | Net Present Value |
| NRE Account | Non-Resident External Account |
| NRIs | Non-Resident Indians |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| OCB | Overseas Corporate Bodies |
| OSP | Other Service Provider |
| p.a. | per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAC | Persons Acting in Concert |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PCB | Pollution Control Board |
| PPA | Power Purchase Agreement |
| PSU | Public Sector Undertaking |
| QA/QC | Quality Assurance / Quality Control |
| QIC | Quarterly Income Certificate |
| RBI | The Reserve Bank of India |
| ROE | Return on Equity |
| RONW | Return on Net Worth |
| Bn | Billion |
| Rs. | Rupees, the official currency of the Republic of India |
| RTGS | Real Time Gross Settlement |
| RERA | Real Estate Regulatory Authority |
| SCRA | Securities Contract (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time. |
| Sec. | Section |
| SPV | Special Purpose Vehicle |
| STT | Securities Transaction Tax |
| Super Area | The built-up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on |
| TPDS | Targeted Public Distribution System |
| US/United States | United States of America |
| USD/ US\$/ \$ | United States Dollar, the official currency of the Unites States of America |
| UPI/ Unified Payments Interface | Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant |



| Abbreviation | Full Form |
|----------------------------|--|
| | payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c |
| UPI Circulars | SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard. |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI). |
| UPI Mandate Request | The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorize blocking of funds on the UPI mobile or other application equivalent to the Bd Amount and subsequent debit of funds in case of Allotment. |
| UPI Mechanism | The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018. |
| UPI PIN | Password to authenticate UPI transaction |
| VCF / Venture Capital Fund | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |
| WEO | World Economic Outlook |

Technical / Industry related Terms

| Term | Description |
|--------|---|
| FSSAI | Food Safety and Standards Authority of India |
| C&F | Carrying/ Clearing and forwarding Solutions |
| TMS | Transportation Management System |
| SPJIMR | Shreyans Prasad Jain Institute of Management and Research |
| IGNOU | Indira Gandhi National Open University |
| WMS | Warehouse Management System |
| GPS | Global Positioning System |
| EPCG | Export Promotion Capital Goods |



Notwithstanding the foregoing:

- 1. In the section titled “Main Provisions of the Articles of Association” beginning on page number 339 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 2. In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 20 and 151 respectively, of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 3. In the section titled “Risk Factors” beginning on page number 27 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 4. In the chapter titled “Statement of Tax Benefits” beginning on page number 118 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 5. In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page number 250 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.*

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PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

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

Financial Data

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Ind AS and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated beginning on page 219 of this Draft Red Herring Prospectus.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12-month period ended 31st March of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Ind AS, Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Ind AS and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements, as Restated” beginning on page 219 of this Draft Red Herring Prospectus.

Currency and units of presentation

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

Industry and Market Data

Unless stated otherwise, industry data used throughout the Draft Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry



publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

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FORWARD LOOKING STATEMENTS

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

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

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

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 27, 151 and 250, respectively of this Draft Red Herring Prospectus.

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



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

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SECTION II - SUMMARY OF OFFER DOCUMENTS

SUMMARY OF OUR BUSINESS OVERVIEW

Our Company was incorporated as a Private Limited Company under the name of “Pranik Logistics Private Limited” under the Companies Act, 2013 vide certificate of incorporation dated February 24, 2015, issued by Registrar of Companies, Kolkata, bearing CIN U60231WB2015PTC205412. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on January 15, 2024 and the name of our Company was changed from “Pranik Logistics Private Limited” to “Pranik Logistics Limited” & Registrar of Companies, Kolkata has issued a new certificate of incorporation consequent upon conversion dated March 07, 2024, bearing CIN U60231WB2015PLC205412.

Our company is engaged as carrying and forwarding agent providing end-to-end Logistics solutions i.e. from the point of origin to the point of consumption, in order to meet the needs of our customers and corporations. We are a pan India logistics provider, acting as carrying and forwarding agent and providing integrated services including transportation, warehousing, material handling and freight forwarding to our customers belonging to various industries such as Automotive, Engineering, Construction, Customer durables, Retail, Textile etc.

Since our establishment in 2015, we have over the period expanded the ambit of our services. We offer customized services as per the requirements of our customers. We have a dedicated team of employees and agents, who manage the entire supply chain effectively and efficiently.

As on the date of this Draft Red Herring Prospectus, we manage a fleet of commercial vehicles, comprising more than 80 vehicles that we own, and any further requirement is managed through leasing the vehicles on trip-to-trip basis. Our fleet encompasses various types of trucks categorized by design, size, and capacity. Our Container Trucks are utilized for parcel transportation, while Platform Trucks handle heavy-duty goods like automotive parts and machinery. For detailed information on the different vehicle categories within our fleet, please see "Our Fleet Strength" on page 163 of this Draft Red Herring Prospectus. The diversity of our transportation vehicles allows us to cater to a wide range of consignments. Further, as on the date of this Draft Red Herring Prospectus, we operate a total of 30 warehouses, which are directly managed by our company. For detailed information on the warehouses of the company, please refer to page 157 of this Draft Red Herring Prospectus.

The technological systems that our company uses for managing the logistics operations are provided by our clients that enable us to improve our service quality, consistency and increase our operating efficiency. Our accounting systems also enable us to implement stringent financial controls.

We have obtained certifications from FSSAI for facilitating the delivery of perishable goods. We believe that adopting and employing global standards will attract more customers to our Company.

SUMMARY OF OUR INDUSTRY

Global Smart Warehouse Industry

Smart Warehousing Market size is expected to cross USD 122 Billion by the end of 2036, growing at a CAGR of 15% during the forecast period, i.e., 2024-2036. In the year 2023, the industry size of smart warehousing



was over USD 20 Billion. The growth of the market is due to growing incidences of email phishing and ransomware, as well as the need for coherence between security policies and facility audit trails. The number of global ransomware attacks was estimated at 236.1 million during the first half of 2022. In 2021 there was a global outbreak of 623.3 million ransomware attacks. In 2022, the amount of ransomware was around 20% of all cybercrimes.

In addition, the smart warehousing industry is taking off as e-commerce's popularity increases and digitalization progresses. To improve and accelerate the supply chain's network, a wide range of suppliers from all over the world are using cutting-edge technologies such as barcode scanning software, automatic driving aids or radio frequency identification technology to reduce errors. In order to develop the market, it is vital that these technologies are used for storage.

(Source: <https://www.researchnester.com/reports/smart-warehousing-market/5313>)

Indian Smart Warehousing Industry

Increasing adoption of technological advancements, e-commerce sector's high growth, and the government's supportive initiatives are projected to propel the expansion of the India Smart Warehousing Market during the forecast period between 2024 and 2030.

Smart Warehousing – Overview

A smart warehouse, serving as a sizable facility for storing manufactured items and raw materials, has undergone a transformative shift with the integration of machines and computers. Tasks that were traditionally carried out by humans, such as receiving and processing orders, storing and counting products, and efficiently transferring orders to their designated locations, are now seamlessly executed in smart warehouses. The adoption of technologies, such as AGV, RFID, IoT, and analytics, has notably reduced errors or eliminated them entirely in these operations. The increasing utilization of these advanced technologies emerges as a key driver propelling the smart warehousing market forward. Also, a significant trend within smart warehouses involves the automation of virtually all stages involved in the movement of goods from suppliers to customers. The widespread move toward automation is anticipated to witness substantial growth, expanding the sales potential in the India Smart Warehousing Market over the forecast period.

(Source: <https://www.blueweaveconsulting.com/report/india-smart-warehousing-market>)

Global Logistics Industry

The global logistics market size reached US\$ 5.4 Trillion in 2023. Looking forward, the market is expected to reach US\$ 7.9 Trillion by 2032, exhibiting a growth rate (CAGR) of 4.1% during 2024-2032. The market is experiencing robust growth, driven by rapid expansion of e-commerce sector, rising technological advancements, such as the Internet of Things (IoT), ongoing globalization of trade, increasing focus on environmental sustainability, and growing consumer demand for faster delivery systems.

(Source: [Logistics Market Outlook 2023, Size, Industry Report 2032 \(imarcgroup.com\)](#))



Indian Logistics Industry

Market Overview:

The India logistics market size reached US\$ 282.3 Billion in 2023. Looking forward, the market is expected to reach US\$ 557.4 Billion by 2032, exhibiting a growth rate (CAGR) of 7.85% during 2024-2032. The significant expansion in the e-commerce and online retail industry, the implementation of favorable government policies encouraging the adoption of logistics services, and emerging technological advancements are some of the major factors contributing to the market growth.

(Source: [India Logistics Market Size, Share, Industry Growth 2024-2032 \(imarcgroup.com\)](https://www.imarcgroup.com))

PROMOTERS OF OUR COMPANY

The promoter of our Company is Mr. Pranav Kumar Sonthalia, Ms. Shradha Kumari, Ms. Minal Sonthalia. For detailed information please refer to the chapter titled “Our Promoters” and “Our Promoter Group” on page number 210 and 215 respectively of this Draft Red Herring Prospectus.

ISSUE SIZE

The issue size comprises of fresh issue of 29,18,400 Equity Shares of face value of Rs.10/- each fully paid-up of the Company for cash at price of Rs. [●]/- per Equity Share (including premium of Rs. [●]/- per Equity Share) aggregating total issue size amounting to Rs. [●] Lakhs.

OBJECTS OF THE ISSUE

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

| S. N. | Particulars | Amount (In Rs. Lakh) |
|--------------|------------------------------|----------------------|
| 1. | Investment in Technology | 80.00 |
| 2. | Capital Expenditure | 220.00 |
| 3. | Working Capital Requirement | 1,200.00 |
| 4. | General Corporate Purposes** | [●] |
| Total | | [●] |

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

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

| S. No. | Name of shareholder | Pre issue | | Post issue | |
|------------------|------------------------|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity Shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1. | Pranav Kumar Sonthalia | 79,49,250 | 98.24% | 79,49,250 | 72.20% |
| 2. | Shradha Kumari | 1,41,750 | 1.75% | 1,41,750 | 1.29% |



| | | | | | |
|----------------------------|-----------------|------------------|----------------|--------------------|----------------|
| 3. | Minal Sonthalia | 150 | Negligible | 150 | Negligible |
| Total – A | | 80,91,150 | 99.99% | 80,91,150 | 73.49% |
| Promoter Group | | | | | |
| <i>NIL</i> | | | | | |
| Public | | | | | |
| 4. | Public | 600 | Negligible | 600 | Negligible |
| 5. | IPO | - | - | 29,18,400 | 26.51% |
| Total-C | | 600 | 0.01% | 29,19,000 | 26.51% |
| Grand Total (A+B+C) | | 80,91,750 | 100.00% | 1,10,10,150 | 100.00% |

SUMMARY OF FINANCIAL INFORMATION

(Rupees in Lakhs)

| Particulars | For the period ended 31 st December 2023 | For the Year ended 31 st March 2023 | For the Year ended 31 st March 2022 | For the Year ended 31 st March 2021 |
|-------------------------------|---|--|--|--|
| Share Capital | 539.45 | 539.45 | 260.00 | 260.00 |
| Reserve & Surplus | 355.08 | 197.18 | 103.96 | 72.42 |
| Net Worth | 894.53 | 736.63 | 363.96 | 332.42 |
| Revenue from operation | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| Profit after Tax | 157.90 | 93.22 | 31.54 | 17.92 |
| EPS Basic and Diluted | 2.93 | 1.73 | 1.21 | 0.69 |
| NAV per Equity Share (in Rs.) | 16.58 | 9.10 | 4.50 | 4.11 |
| Total borrowings | 1,984.78 | 1,382.09 | 577.87 | 228.68 |
| - Long Term | 295.88 | 189.38 | 98.76 | 12.50 |
| - Short Term | 1,688.90 | 1,192.71 | 479.11 | 216.18 |

QUALIFICATIONS OF AUDITORS

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

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

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

| Name | By/Against | Civil Proceedings | Criminal Proceeding | Tax Proceedings | Actions by regulatory authorities | Amount Involved (in rupees) |
|---------------------------------|----------------|-------------------|---------------------|-----------------|-----------------------------------|-----------------------------|
| Company | By | - | - | - | - | - |
| | Against | - | - | 76,93,789/- | - | 76,93,789/- |
| Promoter | By | - | - | - | - | - |
| | Against | - | - | 4,70,700/- | - | 4,70,700/- |
| Group Companies/Entities | By | - | - | - | - | - |
| | Against | - | - | - | - | - |



| | | | | | | |
|---------------------------------------|----------------|---|---|---|---|---|
| Directors other than promoters | By | - | - | - | - | - |
| | Against | - | - | - | - | - |

For further details, please refer to the chapter titled “Outstanding Litigations & Material Developments” beginning on page 265 of this Draft Red Herring Prospectus.

RISK FACTORS

For details relating to risk factors, please refer to the section titled “Risk Factors” beginning on page 27 of this Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

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

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|----------------------|----------------------|----------------------|
| 1. Bank Guarantee/LC Discounting for which FDR margin money has been given to the bank as Security | Nil | Nil | Nil | Nil |
| 2. Entry Tax matters pending in various courts | Nil | Nil | Nil | Nil |
| 3. Income Tax Demand | Nil | Nil | Nil | Nil |
| Total | Nil | Nil | Nil | Nil |

For Further details, please refer to the chapter titled “Financial Statement as restated” on page 219 of this Draft Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18:

Names of related party and relationship:

1. Shareholders having significant influence: NIL

2. Key Managerial Personnel:

- i) Pranav Kumar Sonthalia
- ii) Shradha Kumari

a) Transactions with related parties

(Rupees in Lakh)

| Name | Nature of Relationship | Nature of Transaction | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, |
|------|------------------------|-----------------------|-------------------------|----------------------|----------------------|-----------------|
| | | | | | | |



| | | | | | | 2021 |
|------------------------|----------|--------------|-------|-------|------|------|
| Pranav Kumar Sonthalia | Director | Remuneration | 18.00 | 11.50 | 8.40 | 6.00 |
| | | Loan Taken | 53.91 | 9.00 | - | - |
| Shradha Kumari | Director | Remuneration | 4.00 | 4.20 | 3.00 | - |

b) Balances outstanding

(Rupees in Lakhs)

| Name | Nature of Relationship | Nature of Transaction | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------|------------------------|-----------------------|-------------------------|----------------------|----------------------|----------------------|
| Pranav Kumar Sonthalia | Director | Loan Outstanding | 53.91 | 9.00 | - | - |

For Further details of Related Party Transaction, please refer “Note 11” under the chapter titled “Financial Statement as restated” on page 247 of this Draft Red Herring Prospectus.

FINANCING ARRANGEMENTS

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

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

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

| Name of Promoter | No. of shares bought | Weighted Average Price (in Rs.) |
|------------------------|----------------------|---------------------------------|
| Pranav Kumar Sonthalia | 79,49,250 | Nil |
| Shradha Kumari | 1,41,750 | 6.67 |
| Minal Sonthalia | 150 | Nil |

* As Certified by M/s Goyal Parul & Co., chartered accountants, dated June 12, 2024.

AVERAGE COST OF ACQUISITION

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|------------------------|--------------------|--------------------------------------|
| Pranav Kumar Sonthalia | 7,949,250 | 6.67 |
| Shradha Kumari | 141,750 | 6.67 |
| Minal Sonthalia | 150 | 6.67 |

* As Certified by M/s Goyal Parul & Co., chartered accountants, dated June 12, 2024.

DETAILS OF PRE-ISSUE PLACEMENT



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

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

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

| Date of Allotment | No. of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Nature of Consideration | Nature of Allotment |
|--------------------------|-----------------------------|-------------------------|--------------------------|--------------------------------|----------------------------|
| 23-05-2024 | 26,97,250 | 10 | Nil | Other than cash | Bonus Issue |

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

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

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

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

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SECTION III- RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 151 and 250, respectively, of this Draft Red Herring Prospectus as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 219 of this Draft Red Herring Prospectus.

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

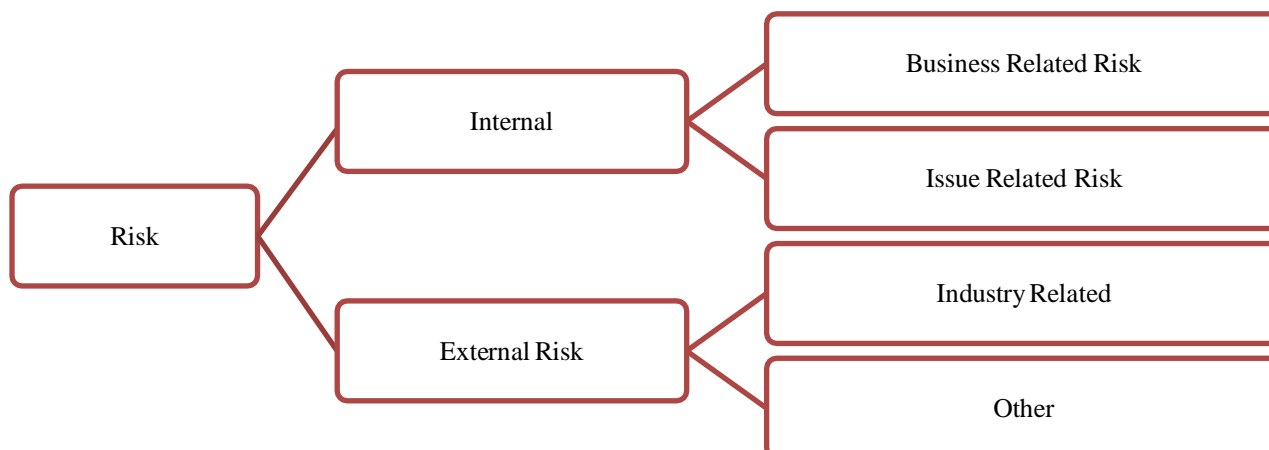
This Draft Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere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

Materiality

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

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

Classification of Risk Factors





INTERNAL RISK FACTORS

1. Our Company does not own the premises through which we conduct our business operations.

The premises on which our Registered Office is situated is owned by The Governor of state of West Bengal and the same has been occupied and used by us on sub-lease basis vide Sub-lease deed dated March 31, 2022, executed between our Company (lessee) and Reproscan India Private Limited. In addition to our Registered Office, we also operate from our Branch office situated in Jharkhand which is also taken on a leasehold basis. The details of our registered office and branch office are as follows:

| S. N. | Particulars | Address | Sq Ft. | Tenure | Lessor |
|-------|-------------------|---|-------------|--|-------------------------------------|
| 1. | Registered Office | P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal - 700091 | 2114 Sq ft. | 3 years from March 01, 2022 | M/s Reproscan India Private Limited |
| 2. | Branch Office | 6th Floor, 605B, Eastern Mall, Tiki Road, Dangratoli Chowk, Ranchi, Jharkhand, 834001 | 1102 Sq ft. | From January L7, 2024 to November 30, 2024 | Mrs. Amita Agarwal |

We cannot assure you that we will be able to continue the above arrangements on commercially acceptable or favourable terms in future. In the event we are required to vacate the current premises, we would be required to make alternative arrangements for new premises and other infrastructure and facilities. We cannot assure that the new arrangements will be on terms that are commercially favourable to us. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. For details regarding such leasehold properties, please refer to chapter titled “Our Business” on page. 151 of this Draft Red Herring Prospectus.

2. Our business heavily relies on the expertise and guidance of our Directors and Key Managerial Personnel to ensure sustained success. The loss of any of them could have a significant impact on our company.

Our Company’s success is heavily reliant on the continued services and support of our Key Managerial Personnel, as well as the guidance and contributions of our directors. These individuals play a crucial role in executing our day-to-day operations and driving the growth of our business. The loss of any of our Key Management Personnel or Directors, or the inability to recruit suitable replacements, could have a significant adverse effect on our Company. The departure of these key individuals could seriously impair our ability to manage and expand our business efficiently, ultimately impacting on our bottom line. We understand the importance of retaining qualified employees at a reasonable cost and recognize that their skills and expertise are crucial to executing our growth strategy. Without a competent and committed workforce, we may struggle to achieve our business objectives. For further information regarding our Directors and Key Managerial Personnel, please refer to the chapter titled “Our Management” starting on page 191 of this Draft Red Herring Prospectus.



3. There is outstanding litigation pending against our Promoters which, if determined adversely, could affect our business, results of operations and financial condition.

There are certain demands pending against the company and against the promoters and directors of the company as per the report issued by the legal advisor to the issue. However, we cannot assure you that the current outstanding legal proceedings /demands will be decided favourably or that no further liability will arise from these claims in the future. The amounts claimed in the proceedings have been disclosed to the extent ascertainable. For details, see “*Outstanding Litigation and Material Developments*” on page 265.

Cases against our Company and promoters:

(₹ in Rupees)

| Name | Criminal Proceedings | Tax Proceedings | Statutory or regulatory actions | Civil Proceedings | Other Material litigations | Aggregate amount involved* |
|------------------------|----------------------|-----------------|---------------------------------|-------------------|----------------------------|----------------------------|
| Company | | | | | | |
| By | - | - | - | - | - | - |
| Against | - | 76,93,789/- | - | - | - | 76,93,789/- |
| Promoter | | | | | | |
| By | - | - | - | - | - | - |
| Against | - | 4,70,700/- | - | - | - | 4,70,700/- |
| Director/KMP | | | | | | |
| By | - | - | - | - | - | - |
| Against | - | - | - | - | - | - |
| Subsidiary | | | | | | |
| By | - | - | - | - | - | - |
| Against | - | - | - | - | - | - |
| Group Companies | | | | | | |
| By | - | - | - | - | - | - |
| Against | - | - | - | - | - | - |

* To the extent quantifiable

For further details of legal proceedings involving the Company, please see section titled “*Outstanding Litigations and Material Developments*” beginning on page 265 of this Draft Red Herring Prospectus.

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

Our Company has negative cash flows from our operating, investing & financing activities in the current as well as in previous years as per the Restated Financial Statements and the same are summarized as under.

(Rupees in Lakhs)

| Net Cash Generated from | For the period ended on December 31, 2023 | For the year ended on March 2023 | For the year ended on March 2022 | For the year ended on March 2021 |
|-------------------------|---|----------------------------------|----------------------------------|----------------------------------|
| Operating Activities | 454.98 | 348.01 | 161.34 | 187.09 |



| | | | | |
|----------------------|----------|----------|----------|--------|
| Investing Activities | (135.42) | (349.68) | (128.58) | 2.94 |
| Financing Activities | (39.28) | 278.12 | 54.96 | (8.66) |

For more details, kindly refer to the page no. 219 in the chapter “Financial Information”.

5. Our employees are key to our business. Thus, Employees Benefit expenses constitute a major portion of our expenses. Such a significant increase in this cost could lead to lower profitability.

At present, we have 490 employees providing services in our company. Being a logistics company, more than 10% percent of our revenue is spent on the employee benefit expenses. Our employees include the operation team, administration team, procurement and tech team.

We believe that these employees and personnel are key to our success in business operations. In order to conduct our business, which includes providing a variety of logistics services, we need highly specialised and efficient employees. These professionals are experts in their area of work. If we experience a decrease in customer base and decrease in revenue, we may not be able to efficiently reallocate our team to other projects to keep their utilisation and productivity levels high.

Our Company’s ability to execute work orders depends largely on their ability to attract, train, motivate and retain highly skilled employees/personnel. The attrition rates in the industry in which we operate have been high due to a highly competitive skilled labour market in India. We invest in training our employees that we hire to perform the services we provide.

The performance of our Company will be benefited on the continued service of these persons or replacement of equally competent persons from the markets. We may have difficulty in redeploying and retraining our employees to keep pace with continuing changes in technology, evolving standards.

The details of Employee Benefit Expenses are given as below:

(Rupees in Lakhs)

| Particulars | For the period ended on | | | |
|--------------------------|-------------------------|----------------|----------------|----------------|
| | December 31, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Revenue from Operations | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| Employee Benefit Expense | 767.20 | 810.27 | 440.02 | 426.01 |
| Percentage (%) | 16.33% | 13.39% | 13.15% | 20.61% |

For more details, kindly refer page no. 219, in the chapter “Financial Information”.

6. Our company depends on third parties to acquire vehicles utilized in our transportation operations. Further, market instability, including changes in fuel costs may adversely impact the company's operations and financial performance.

We rely to a certain extent on third parties for renting vehicles used in the transportation of goods. Dependence on external parties for vehicles increases the likelihood of encountering service disruptions, inconsistencies in quality, and potential disputes. As on the date of this Draft Red Herring Prospectus, we own 86 vehicles, and any further requirement is managed through leasing the vehicles on a trip-to-trip basis.

The company has outsourced a variable number of vehicles, either through leasing arrangements or on a per-



trip basis. However, the exact total number of the same cannot be specified.

Further, market volatility, such as fluctuations in fuel prices, poses challenges to managing costs and maintaining profitability. Our limited control over assets may affect our ability to uphold quality standards, adhere to maintenance schedules, and optimize asset utilization, potentially compromising customer satisfaction.

7. *The restated financial statements have been provided by peer reviewed chartered accountants who are not statutory auditors of our Company.*

The Restated Financial Information of our Company as disclosed in section titled “Restated Financial statements” beginning on Page no. 219 of this Draft Red Herring Prospectus for the period ended December 2023 and year ended on March 31, 2023, 2022 and 2021, are provided by peer reviewed auditor namely Goyal Parul & Co., Chartered Accountants having FRN number 016750N and peer review certificate number 015361, who is not the Statutory Auditor of our Company. Peer-reviewed accountants may not have the same level of access and understanding of your company’s operations and internal controls as the statutory auditors. This limited access could result in an incomplete review and potentially miss important risks or errors. There is a risk that material misstatements or errors in the financial statements may not be detected or adequately addressed by peer-reviewed accountants.

8. *A major portion of our expenses is incurred in freight & Forwarding charges that are included in the head “other expenses”. Our Inability to effectively reduce and control these expenses may adversely impact our profitability in the future.*

A significant portion of our expenditure is allocated to freight and forwarding charges within the category of “Other Expenses”. Failure to effectively manage and minimize these expenses could lead to adverse effects on our future profitability. Further details regarding this expenditure are provided below.

(Rupees in Lakhs)

| Particulars | For the period ended on | | | |
|--|-------------------------|----------------|----------------|----------------|
| | December 31, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Revenue from Operations | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| Total expenses | 4,524.16 | 5,955.24 | 3,312.91 | 2,048.73 |
| Freight & Forwarding charges | 2,860.05 | 4,338.95 | 2,493.25 | 1,269.20 |
| Percentage (%) of Revenue from operations | 60.86% | 71.69% | 74.50% | 61.41% |
| Percentage (%) of Total expenses | 63.22% | 72.86% | 75.26% | 61.95% |

For further information regarding the Freight & Forwarding charges and other expenses, please refer to the chapter titled “Restated financial information” on page 219 of this Draft Red Herring Prospectus.

9. *We depend on our top customers for a significant portion of our revenues. The loss of a major customer or significant reduction in demand from any of our major customers may adversely affect our business, financial condition, results of operations and prospects.*

At present, we derive most of our revenues from sales concentrated to limited set of customers:



(Rupees in Lakhs)

| Particulars | For the period ended on | | | |
|--|-------------------------|----------------|----------------|----------------|
| | December 31, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Revenue from Operations | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| Top ten (10) Customers | 4,133.47 | 5,676.57 | 3,151.17 | 2,054.35 |
| % of top ten (10) Customers to Revenue from Operations* | 87.96% | 92.72% | 94.16% | 99.40% |

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

As our business is currently concentrated among relatively few significant customers, we may experience reduction in cash flows and liquidity and our business would be negatively affected if we lose one or more of our major customers or if the amount of business from one or more of them is significantly reduced for any reason, including as a result of a dispute with or disqualification by a major customer. However, the company's concentration risk has reduced from 99.40% in the financial year ended March 31, 2021, to 87.96% in stub period ended December 31, 2023.

For further details, please refer to the Chapter "Financial information" and "Our Business" on page no. 219 and 151 respectively of this Draft Red Herring Prospectus.

10. Our top five states contribute our major revenue for the period ended December 31, 2023, and year ended 31st March 2023, 2022, 2021. Any loss of business from one or more of these states may adversely affect our revenues and profitability.

Our company operates its business operations from its registered office at West Bengal and has a strong presence in west and south India. These states contribute to a substantial portion of our revenues for the period ended December 31, 2023, and year ended on March 31, 2023, 2022 & 2021. Any factors relating to political and geographical changes, growing competition and any change in demand may adversely affect our business. We cannot assure that we shall generate the same quantum of business, or any business at all, from these states, and loss of business from one or more of them may adversely affect our revenues and profitability.

The contribution of top states to our total revenue is as follows:

(Rupees in Lakhs)

| State | For the period ended on | | | |
|-------------------------------------|-------------------------|----------------|----------------|----------------|
| | December 31, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| West Bengal | 1,926.92 | 2,212.08 | 1,523.15 | 915.18 |
| % of Revenue from operations | 41.00% | 36.55% | 45.51% | 44.28% |
| Jharkhand | 959.55 | 1,031.73 | 914.54 | 937.09 |
| % of Revenue from operations | 20.42% | 17.05% | 27.33% | 45.34% |
| Other States | 1812.96 | 2808.89 | 909.04 | 214.48 |
| % of Revenue from operations | 38.58% | 46.41% | 27.16% | 10.38% |



| | | | | |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|
| Revenue from operations | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|

For further information, please refer to the chapter titled “Our Business” on page 151 of this Draft Red Herring Prospectus.

11. Our present promoters of the Company are first generation entrepreneurs.

Our present Promoters are first generation entrepreneurs. Their experience in managing our company’s operations has been instrumental in the growth of our Company. The concern is that their limited experience and knowledge could potentially hinder the company's growth in the future. Our promoters collectively hold more than 15 years of experience. The statement is being cautious and transparent about this uncertainty, as it cannot assure that the promoters' inexperience won't affect our company's success.

12. We may not be able to acquire warehouses and other logistics facilities in desirable locations that are suitable for our expansion at commercially reasonable prices and our expansion plans may be delayed or affected by various factors.

We generally enter into lease or license arrangements for occupying our warehouses. The growth and success of our business significantly depend on our ability to lease or otherwise obtain rights to use warehouses and other logistics facilities at locations that are suitable for our operations and at commercially reasonable prices.

In particular, the success of our business depends significantly on the infrastructure support in the surrounding area such as access to public roads, highways, ports and airports. As on the date of this Draft Red Herring Prospectus, we operated an aggregate of 30 warehouses in India. For further information please refer to the chapter titled “our Business” on page 151 of this Draft Red Herring prospectus.

Our ability to obtain rights to use warehouses and other logistics facilities depends on a variety of factors that are beyond our control such as overall economic conditions, the availability of warehouses and logistics facilities, our ability to identify such properties and competition for such properties. In addition, properties in convenient locations or supported by quality infrastructure may command a premium, which may exceed our budget. The expansion of our warehouses and other logistics facilities may be adversely affected by certain other factors, including, but not limited to:

1. Delays in construction or improvements due to factors beyond our control;
2. Significant pre-operating costs or capital improvements, work stoppages, strikes or accidents; and
3. Inability to invest in equipment, manpower and related assets at our existing and proposed multi-user warehouses that are suitable for our expansion at commercially reasonable prices.

To the extent that we are unable to obtain rights to use or lease suitable warehouses and logistics facilities within the anticipated time frame or at commercially acceptable prices, our business, financial condition, results of operations and prospects may be materially and adversely affected.

13. Improper handling of goods at our facilities could damage our reputation and have an adverse effect on our business, results of operations and financial condition.

We remain susceptible to risks associated with the improper handling of goods at our facilities. Any shortcoming due to fraudulent activities, theft, negligence, human error, or otherwise by our labour force could



damage our reputation, adversely affecting our business, financial condition and results of operations. Further, such activities may also result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

14. Our business is dependent on the road network in India and our ability to utilize our vehicles in an uninterrupted manner. Any disruptions or delays in this regard could adversely affect us and lead to a loss of reputation and/ or profitability.

The transportation and delivery services we provide are dependent on the road network in India. There are various factors which affect road transport such as political unrest, bad weather conditions, natural calamities, road construction, road quality, regional disturbances, fatigue or exhaustion of drivers, improper conduct of the drivers, accidents or mishaps and negligence. Even though we undertake various measures to avoid or mitigate such factors to the extent possible, some of these could cause extensive damage and affect our operations and/or the condition of our vehicles, thereby increasing our operational costs. Also, any such interruption or disruptions could cause delays in the delivery of goods to their destination and/or also cause damage to transported cargo. We may be held liable to pay compensation for losses incurred by our customers in this regard, and/or losses or injuries sustained by other third parties. Further, such delays and/or damage may cause a loss of reputation, which, over a period of time could lead to a decline in business. In the event that goods to be delivered have a short shelf life, such as perishable goods in our temperature-controlled logistics operations, any delay in the delivery of such cargo could also expose us to additional losses and claims. Although some of these risks are beyond our control, we may still be liable for the condition of such cargo and their timely delivery, and any disruptions or delays could adversely affect us and lead to a loss of reputation and liability in terms of penalty.

Under the terms of certain of our agreements with our customers, we are required to facilitate customers' insurance claims for losses on products in transit and to compensate such customers if we fail to do so. Additionally, in case of damage and loss of goods in transit, we are liable for a certain amount of damaged or lost goods, as mentioned in the agreement with such parties.

In addition, any prolonged or significant downtime of our transportation vehicles or related equipment caused by unforeseen circumstances may cause major disruptions to our operations. In the event we are affected by such prolonged and significant downtime of our vehicles or equipment, our operations and financial performance may be adversely affected.

15. Accidents could result in the slowdown or stoppage of our operations and could also cause damage to life and property.

We believe that each of our facilities and transport vehicles has adequate equipment to ensure and meet necessary safety standards. However, certain accidents or mishaps may be unavoidable or may occur on account of negligence in complying with prescribed safety standards. Therefore, although we take all necessary steps to ensure safety, accidents, including human fatalities, may occur and there can be no assurance that our safety measures and the precautions undertaken will be completely effective or sufficient. Further, the liability incurred may far exceed the insurance cover. Any accident at our facilities or involving our transport vehicles could also harm our reputation. Such accidents, irrespective of monetary liability, may have an adverse effect on our business and reputation.

16. Our business is affected by prevailing economic conditions in India and indirectly affected by changes in consumer spending capacity in the sectors we serve within India.



Our business is dependent on overall economic conditions in India and any slowdown or other disruption in the production of goods in India or the Indian economy may negatively affect our business in a number of ways, including our financial condition and results of operations. We are also dependent on the macro-economic conditions of the various sectors we serve. We cater to customers in a wide variety of sectors, including automotive and engineering, food and agro, FMCG, electronics and technology, paint and dairy. Any disruption or slowdown in these sectors could negatively affect the logistics spending of our customers. Further, any slowdown in consumer spending capacity in India may negatively affect our financial condition and results of operations, since our operations and financial condition are closely linked to the production and consumption of consumer goods in India. Some of our customers are not suppliers of necessity goods, and, consequently, their goods are subject to high price elasticity, and unfavourable economic conditions may result in a reduction of demand for their goods. A fall in the purchasing power of retail and other end consumers, for any reason whatsoever, including rising consumer inflation, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers' revenues, production levels and profitability, and could in turn negatively affect their demand for our services or the terms on which we provide our services to them.

17. Changing regulations in India could lead to new compliance requirements that are uncertain.

The regulatory environment in which we, and our key customers, operate is evolving and is subject to change. The Government of India may implement new laws or other regulations that could affect the logistics industry or the sectors we serve, which could lead to additional compliance requirements. Additional compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which additional requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations.

18. Our inability to deliver products in a timely manner may affect our reputation and business prospects.

Time is of the essence in our business. Our operations are dependent upon timely pick-up and delivery of products that are stored in warehouses or that are otherwise transported by us. However, transportation of such products may be subject to delays including due to factors beyond our control. Any delay in the delivery of products may result in a breach of the contract with the relevant customer and may be grounds for penalties, fines, other damages or termination of such contract. Any inability to retain our customers may harm our reputation and will have an adverse effect on our financial performance and business prospects.

19. Our transportation operations depend on our ability to generate sufficient transportation volumes to achieve acceptable profit margins or avoid losses.

Our transportation operations are dependent on the availability of sufficient transportation volumes to achieve acceptable margins and avoid losses. The high fixed costs that are typical in our transportation operations do not vary significantly with variations in transportation volumes, and a relatively small change in transportation volumes or the prices we charge to our customers can have a significant effect on our results of operations. Further, difficulties with internal processes or other external adverse influences could lead to shortfalls in revenue. As a result, the success of our business depends on our ability to optimise transportation volumes and revenues. If we are unable to succeed sufficiently at these tasks, we may not be able to achieve acceptable operating or net profit margins, and our business, results of operations and financial condition could be adversely affected.



20. We experience the effects of seasonality, which may result in our operating results fluctuating significantly.

Some of our customers' businesses are subject to seasonality, which in turn affects our business. For instance, our customers in the automobile industry experience higher demands during festival season in India, and our operations from such customers increase accordingly during such periods. As a result of such seasonality, our quarterly financial results may fluctuate significantly. Accordingly, results for any one quarter are not necessarily indicative of results to be expected for any other quarter and declines in demand during our peak seasonal periods could materially and adversely affect our business, financial condition or results of operations.

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

Our Company has entered into related party transactions with our Promoter, Directors and the Promoter Group for the period ended 31 December 2023 and for the year ended March 2023, 2022, 2021. The company undertakes that the related party transactions entered into by the company are in compliance with the provisions of Companies Act, 2013 and rules made thereunder. The related party transactions entered by the company for the period ended December 31, 2023, and the year ended March 2023, 2022, 2021 on the basis of restated financials statements are given below:

Transactions with related parties:

Names of related party and relationship:

1. Shareholders having significant influence: NIL

2. Key Managerial Personnel:

- i) Pranav Kumar Sonthalia
- ii) Shradha Kumari

a) Transactions with related parties

(Rupees in Lakh)

| Name | Nature of Relationship | Nature of Transaction | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------|------------------------|-----------------------|-------------------------|----------------------|----------------------|----------------------|
| Pranav Kumar Sonthalia | Director | Remuneration | 18.00 | 11.50 | 8.40 | 6.00 |
| | | Loan Taken | 53.91 | 9.00 | - | - |
| Shradha Kumari | Director | Remuneration | 4.00 | 4.20 | 3.00 | - |
| | | | | | | |

b) Balances outstanding

| Name | Nature of Relationship | Nature of Transaction | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------|------------------------|-----------------------|-------------------------|----------------------|----------------------|----------------------|
| Pranav Kumar Sonthalia | Director | Loan Outstanding | 53.91 | 9.00 | - | - |



While our Company believes that all such transactions have been conducted on the arm's length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties.

Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to "Note 11 "Related Party Transactions" on page no. 247 of this Draft Red Herring Prospectus.

22. *Our company does not own any technology for operating our business and currently we rely on the technology provided by our client. Further any disruption or failure of technological systems may affect our operations.*

We believe that the technological capabilities play a key role in helping us effectively manage our pan-India operations, maintain operational and fiscal controls, and support our efforts to enhance client service levels. Our business is significantly dependent on the efficient and uninterrupted operation of technology systems. Presently, our company depends on clients to furnish the technology required for managing transportation and warehousing of their goods. This reliance on client-provided technology restricts our ability to offer services solely to those clients equipped with such technology. At present, we do not extend our services to clients lacking the necessary technological infrastructure, resulting in a reduced client base and subsequently impacting our operational revenue. For further details, see "Our Business" and "objects of the issue" on page 151 and 95 of the Draft Red Herring Prospectus.

Further, our operations are vulnerable to interruption by events beyond our control such as fire, earthquake, weather, theft and terrorist attacks. We are also subject to hacking or other attacks on our IT systems, and we cannot assure you that we will be able to successfully block or prevent all such attacks. Any breaches of our systems may require us to incur further expenditure on repairs or more advanced security systems. A significant system failure could adversely affect our ability to manage overall operations, thereby affecting our ability to deliver our services to our clients, affecting our reputation and revenues. We may also be exposed to multiple claims for failed delivery of goods. If such interruption is prolonged, our business, operations, financial condition and results of operations may be materially and adversely affected.

Our operating efficiency may decline, and our growth may suffer if the technology systems are unable to handle an additional volume of our operations as we grow. Some of the existing technologies and processes in the business may become obsolete or perform less efficiently compared to newer and better technologies and processes in the future. Certain of our competitors may have access to similar or superior technology or may have better adapted themselves to technological changes. The cost of upgrading or implementing new technologies, upgrading our equipment or expanding their capacity could be significant and could adversely affect our business, operations, financial condition and results of operations.

23. *We do not have any single software/technology to manage our day-to-day business activities such as warehouse, inventory, transportation and operations. Failure to manage our resources could have an adverse effect on our profitability, cash flow and liquidity.*

The results of the operations of our business are dependent on our ability to effectively manage our operations and clients. Presently, we lack a unified software or technology solution to oversee critical day-to-day activities such as warehouse management, inventory tracking, transportation logistics and overall operations



management. Instead, we rely on technology provided by our clients, leading to potential compatibility issues, functional limitations, disruptions and managing multiple technology can be difficult at times. This approach, with the absence of centralized operations management, poses risks of inefficiency, errors, and delays. Failure to address these risks could adversely affect our profitability, cash flow, and liquidity, potentially resulting in increased operating costs, missed revenue opportunities, and client dissatisfaction. To mitigate these risks, we are exploring investment in technology tailored to our needs, aiming to enhance control, efficiency, and agility while reducing reliance on client-provided technology. For more details, please refer to the chapter titled “objects of the issue” on page 95 of this Draft Red Herring Prospectus.

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

Our Company’s business operations require a significant amount of working capital. In our business, working capital is often required for our day-to-day business operations including managing freight, forwarding and fuel expenses. In the event we are unable to source the required amount of working capital, we might not be able to efficiently satisfy the demand and preferences of our customers in a timely manner or at all. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect our business.

There exists a substantial requirement of working capital and financing in the form of fund and non-fund based working capital facilities to meet our requirements. The details of our working capital for the projected, estimated and audited period are as follows:

(Rupees in Lakhs)

| Particulars | March 31, 2021 | March 31, 2022 | March 31, 2023 | Stub December 30, 2023 | March 31, 2024 | March 31, 2025 |
|------------------------------|-------------------|-------------------|-------------------|------------------------------|-------------------|-------------------|
| | (A) | (A) | (A) | (A) | (E) | (P) |
| Current Assets | | | | | | |
| Inventory | - | - | - | - | - | - |
| Trade Receivables | 516.19 | 658.53 | 1,086.13 | 1,257.01 | 1,399.13 | 1,795.24 |
| Other Current Assets | 81.72 | 227.62 | 211.76 | 567.13 | 530.58 | 603.53 |
| Cash & Cash Equivalent | 216.19 | 303.93 | 580.36 | 860.64 | 707.51 | 752.07 |
| Total | 814.11 | 1,190.07 | 1,878.26 | 2,684.77 | 2,637.21 | 3,150.84 |
| Current Liabilities | | | | | | |
| Trade Payables | 255.54 | 367.58 | 45.02 | 48.45 | 63.96 | 82.68 |
| Other Current Liabilities | 85.01 | 69.27 | 147.95 | 206.07 | 198.97 | 258.66 |
| Short Term Provisions | 10.16 | 25.81 | 41.05 | 61.78 | 154.07 | 244.77 |
| Total | 350.71 | 462.65 | 234.01 | 316.30 | 416.99 | 586.10 |
| WC Requirement | 463.39 | 727.42 | 1,644.24 | 2,368.47 | 2,220.22 | 2,564.74 |
| Short Term Borrowings | 216.18 | 398.42 | 879.69 | 1,414.58 | 1,132.87 | 960.75 |
| Internal Accruals** | 247.21 | 328.99 | 764.56 | 953.89 | 1,087.35 | 403.99 |
| IPO Proceeds | - | - | - | - | - | 1,200.00 |

**Figures are Tentative*



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

- 25. *Our Promoters and promoter group have significant controlling interest over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder. Further they have an interest in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.***

Upon completion of this Issue, our promoters along with the promoter group will collectively hold 73.49% of the post issue equity share capital of our Company and also continue to enjoy remuneration or benefits, reimbursements of expenses. As a result, our Promoter and promoter group will have the ability to exercise significant influence over all matters requiring shareholders' approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting.

There can be no assurance that our Promoters and Directors will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

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

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

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

Our Promoter's average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this Draft Red Herring Prospectus. This could potentially lead to perceptions of unequal pricing among investors, affecting market sentiment and shareholder confidence. For further details regarding the average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 25 of this Draft Red Herring Prospectus.



28. We are unable to locate the form SH-7 filed during the financial year ended March 31, 2017, for subdivision of share capital.

Our company has filed the form SH-7 for the subdivision of share capital from Rs. 10,00,000/- divided into 10,000 equity shares of Rs. 100/- each to Rs. 10,00,000/- divided into 1,00,000 equity shares of 10/- each.

However, the form SH-7 filed for subdivision of Share Capital cannot be found in the records of ROC as well as the company. To address this, we have obtained an affidavit from the promoter and a search report dated June 15, 2024, from a Practicing company secretary Mr. Dalia Sharma having COP number 27291. Additionally, the company has also filed a form GNL-2 for intimating the ROC for the aforesaid sub-division.

29. Our Company may not have complied with certain statutory provisions of the Companies Act, 2013. Such non-compliances / lapses may attract penalties and prosecution against the Company and its directors which could impact on the financial position of the Company to that extent.

We monitor compliances with applicable laws and regulations by implementing stringent internal checks and controls. Although we have generally been in compliance with applicable laws, there have been certain instances of discrepancies/ errors in statutory filings. Although no regulatory action has been taken against us with respect to the aforesaid non-compliances/errors, there can be no assurance that regulatory action shall not be taken by the relevant authorities against us in the future. In an event such an action is taken, we may be subject to penalties and other consequences that may adversely impact our business, reputation, and results of operation and there can be no assurance that we shall be able to successfully defend any action/allegation raised by such regulatory authorities. Our compliance team meticulously follows a detailed compliance calendar providing for compliances under various applicable laws, including but not limited to the Companies Act. As we continue to grow, there can be no assurance that deficiencies in our internal controls shall not arise, or that we shall be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. There may be recurrences of similar discrepancies/errors in the future that could subject our Company to penal consequences under applicable laws. Any such action could adversely impact our business, reputation, and results of operation.

The details of non-compliances or delayed filings is given as follows:

| S. No. | Particulars | Due Date | Delayed days | Filing date |
|--------|-------------------|----------|--------------|-------------|
| 1. | MGT-14 (FY 20-21) | 01-07-20 | 08-07-20 | 7 |
| 2. | SH-7 (FY 20-21) | 20-04-20 | 23-05-20 | 33 |
| 3. | CHG-1 (FY 20-21) | 17-02-20 | 30-12-20 | 317 |
| 4. | CHG-1 (FY 21-22) | 26-11-21 | 23-12-21 | 27 |
| 5. | DIR-12 (FY 23-24) | 24-05-24 | 31-05-24 | 7 |
| 6. | MGT-14 (FY 23-24) | 24-05-24 | 12-06-24 | 19 |
| 7. | MGT-14 (FY 23-24) | 15-05-24 | 10-06-24 | 26 |
| 8. | MGT-14 (FY 23-24) | 21-05-24 | 10-06-24 | 20 |
| 9. | MGT-14 (FY 23-24) | 25-03-24 | 24-05-24 | 60 |
| 10. | MGT-14 (FY 23-24) | 21-05-24 | 24-05-24 | 3 |
| 11. | CHG-1 (FY 23-24) | 18-03-18 | 02-07-18 | 106 |

Our company has received various loans from banks and financial institutions, and while some have been repaid,



CHG-4, for satisfaction of charge has not been filed yet. We're currently in the process of obtaining No Objection Certificate (NOC) from the banks. Additionally, delays and discrepancies have been found in some ROC forms filed since the company's inception.

30. *Business operation and stability depends on many factors, we may not be able to effectively implement our business and growth strategy.*

The success of our business inter alia depends on our ability to effectively implement our business and growth strategy. In the past, we have generally been successful in the execution of our business plan but there can be no assurance that we will be able to execute our strategy effectively and within the estimated budget in the future.

Following are factors that can affect our ability to effectively implement our business strategy:

1. Intense competition from other listed and unlisted peer companies in the industry.
2. Changes in Industry demand.
3. Our ability to attract and retain qualified personnel.
4. Changes in consumer spending capacity.
5. Changes in government regulations in India.
6. Our ability to maintain the quality of our services.
7. Our ability to market our services.
8. Our ability to update and adapt new technology.

If we are unable to address these factors, there could be a material adverse effect on our business and the results of operations.

31. *Our Company has issued Equity Shares during the last twelve months at a price which may be lower than the Offer Price.*

We have, in the 12 months preceding the filing of this Draft Red Herring Prospectus, issued Equity Shares at prices that may be lower than the Offer Price to Promoters and other shareholders. For details of issues, please refer, page 78 of the chapter "Capital Structure".

The details of the allotment made during the preceding 12 months are as follows:

| S. No. | Date of Allotment | Number of Equity Shares | Face value | Issue Price | Consideration | Type of Allotment |
|--------|-------------------|-------------------------|------------|-------------|-----------------|-------------------|
| 1. | 23-05-2024 | 26,97,250 | 10 | NA | Other than cash | Bonus Issue |

For further details regarding the allotments, please refer to the chapter titled "Capital Structure" on Page 78 of this Draft Red Herring Prospectus.

32. *The intellectual Property Rights used by our company are registered in the name of our company, But any infringement of third-party intellectual property rights or failure to protect our intellectual property rights may adversely affect our business.*



The intellectual property rights (IPR) i.e., the trademark and logo, that the company uses is registered in the name of the company and as on the date of this Draft Red Herring Prospectus. However, Infringement of third-party intellectual property rights or failure to protect our own intellectual property can have negative consequences. In addition, infringement claims can damage our reputation and discourage potential investors, partners, or customers. Additionally, if we fail to protect our own intellectual property, our competitors or other third parties may copy, steal, or misuse our ideas, products, or services. This can lead to lost revenues, decreased market share, or erosion of our competitive advantage. Moreover, any unauthorized use, reproduction, or distribution of our copyrighted material without our permission will result in legal action and may lead to financial penalties or damage to our brand reputation. It is essential for us to protect our copyrighted material and ensure that it is used only with our permission, to avoid any negative impact on our business operations. Defending our intellectual property rights can be expensive and time-consuming, and we may not be able to prevent others from infringing or challenging our rights.

33. Our marketing and advertising activities may not be successful in increasing the popularity of our Company among customers. If our marketing or advertising initiatives are not effective, this may affect the popularity of our Company.

Our company operates in the logistics sector. In order to increase our reach to the maximum customers, our marketing and advertising strategies play a vital role. Marketing is a cornerstone for our company to create awareness, attract and retain users, differentiate themselves in a competitive landscape, and ensure their offerings meet the ever-evolving needs of the industry. Effective marketing not only leads to business growth but also contributes to the enhancement of customer satisfaction for our clients.

Our marketing team is led by our promoters, and we rely to a large extent on their management's experience i.e., Mr. Pranav Kumar Sonthalia and Ms. Shradha Kumari, in defining our marketing and advertising activities. If senior management leads us to adopt unsuccessful marketing and advertising activities or initiatives, we may fail to attract and engage new clients. For further information, please refer to the chapter titled "Our Business" beginning on page no. 151 of this Draft Red Herring Prospectus.

34. Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Issue because of which our business, financial condition and results of operations may be adversely affected.

We intend to use the Net Proceeds for the purposes described in chapter titled "Objects of the Issue" on page 95. The funding requirements mentioned as a part of the objects of the Issue have not been appraised by any bank or financial institution. The deployment of the funds as stated under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency.

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



35. *We are required to maintain certain approvals and licenses required in the ordinary course of business and the failure to obtain or renew them in a timely manner or at all may adversely affect our operations.*

Our Company's business is subject to various approval and license, and we require certain approvals, licenses, registrations and permissions for operating our business, some of which might have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. In addition, we may not be in compliance with certain conditions prescribed by such approvals or licences. Our failure to obtain such licences and approvals and comply with the applicable laws and regulations could lead to imposition of sanctions by the relevant authorities, including penalties. For further details, please refer to chapter titled "Government and Other Approvals" on page 271.

Further, renewal applications for approvals, licenses, registrations and permissions for operating our business need to be made within certain timeframes. There have been no fresh applications made for approvals or license as on the date of the Draft Red Herring Prospectus. However, there may be instances in the future where fresh applications for new approvals and licenses will be made by the company and we cannot assure you that the company will receive these approvals in a timely manner or at all. If we are unable to make applications and renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner or at all, we may be required to face consequences due to which our business operations may be adversely affected.

36. *If we are unable to continue to innovate or if we fail to adapt to changes in our industry, our business, financial condition, cash flows and results of operations would be adversely affected.*

Our Company's future success will depend on our ability to adapt and innovate to dynamic industry and market aspects. Enhancements and new services that we develop may not be introduced in a timely or cost-effective manner, and may contain errors, defects or bugs. We have in the past experienced delays in our internally planned release dates of new solutions and services and there can be no assurance that any of these developments or enhancements will be released according to schedule.

An inability to recognise and incorporate evolving technology for the improvement of our solutions or services, whether due to technology capability or capital constraints could also have a significant adverse impact on our business and competitive advantage. If we are unable to respond in a timely, user-friendly and cost-effective manner to these rapid technological developments, or successfully adopt such advancements and deploy it profitably, our services and solutions may become less marketable and less competitive or obsolete, and our business, results of operations and financial condition may be adversely affected.

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

We propose to utilise the Net Proceeds towards the objects of the Company as mentioned in chapter titled "Objects of the Issue" beginning on page 95. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.



Further, our Promoters would be liable to provide an exit opportunity to shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement of our Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

38. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the issue proceeds may delay the implementation schedule.

Our requirements for proposed funds for our expansion plan as described in the section titled “Objects of the Issue” is to be funded from the proceeds of this IPO. Other than this offering, we have not identified any alternate source of funding and any delay or failure to mobilize the required funding or any shortfall in the issue proceeds may delay the implementation schedule. Further, we cannot provide any assurance that we will be able to execute our plans/strategy within the given timeframe. For details, kindly refer to the chapter titled “Object of the Issue” on page 95.

39. Certain Agreements, deeds or licenses may be in the previous name of the company.

Our certain agreements, deeds or licenses may be in the name of the erstwhile name of the company Prantik Logistics Private Limited. In case we fail to change the name in the agreements, deeds or licenses it may cause adverse effect on Our Company’s business & operations.

40. Our Company may incur penalties or liabilities for non-compliance with certain provisions of the GST Act, Income Tax and other applicable laws in previous years.

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

| | | | | | | <i>(days)</i> |
|------------------------|----------------|--------------|-------------|----------|-------------|------------------------|
| GSTIN of the Taxpayer | Financial Year | Return Month | Return Type | Due Date | Filing date | Delayed number of days |
| GST | | | | | | |
| 10AAICP0257B1Z5 | 2022-23 | Sep-22 | GSTR-3B | 20-10-22 | 28-12-22 | 69 |
| | 2022-23 | Oct-22 | GSTR-3B | 20-11-22 | 28-12-22 | 38 |
| | 2022-23 | Nov-22 | GSTR-3B | 20-12-22 | 05-01-23 | 16 |
| | 2022-23 | Dec-22 | GSTR-3B | 20-01-23 | 16-01-23 | 4 |
| | 2022-23 | Jan-23 | GSTR-3B | 20-02-23 | 10-03-23 | 18 |
| | 2022-23 | Mar-23 | GSTR-3B | 20-04-23 | 17-05-23 | 27 |
| | 2022-23 | 2022-23 | GSTR-9 | 31-12-23 | 30-12-23 | 1 |
| | 2023-24 | Sep-23 | GSTR-3B | 20-10-23 | 21-12-23 | 62 |



| | | | | | | |
|------------------------|---------|--------|---------|----------|----------|-----|
| | 2023-24 | Oct-23 | GSTR-3B | 20-11-23 | 21-12-23 | 31 |
| | 2023-24 | Nov-23 | GSTR-3B | 20-12-23 | 29-04-24 | 131 |
| | 2023-24 | Dec-23 | GSTR-3B | 20-01-24 | 08-06-24 | 140 |
| | 2023-24 | Jan-24 | GSTR-3B | 20-02-24 | 12-06-24 | 113 |
| | 2023-24 | Feb-24 | GSTR-3B | 20-03-24 | 13-06-24 | 85 |
| 19AAICP0257B1ZN | 2021-22 | Apr-21 | GSTR-1 | 11-05-21 | 22-05-21 | 11 |
| | 2021-22 | May-21 | GSTR-1 | 11-06-21 | 16-06-21 | 5 |
| | 2021-22 | Jun-21 | GSTR-1 | 11-07-21 | 14-07-21 | 3 |
| | 2021-22 | Sep-21 | GSTR-1 | 11-10-21 | 04-12-21 | 54 |
| | 2021-22 | Oct-21 | GSTR-1 | 11-11-21 | 04-12-21 | 23 |
| | 2021-22 | Apr-21 | GSTR-3B | 20-05-21 | 22-05-21 | 2 |
| | 2021-22 | May-21 | GSTR-3B | 20-06-21 | 17-06-21 | 3 |
| | 2021-22 | Jun-21 | GSTR-3B | 20-07-21 | 27-08-21 | 38 |
| | 2021-22 | Jul-21 | GSTR-3B | 20-08-21 | 06-09-21 | 17 |
| | 2021-22 | Aug-21 | GSTR-3B | 20-09-21 | 30-09-21 | 10 |
| | 2021-22 | Sep-21 | GSTR-3B | 20-10-21 | 04-12-21 | 45 |
| | 2021-22 | Oct-21 | GSTR-3B | 20-11-21 | 07-12-21 | 17 |
| | 2022-23 | Sep-22 | GSTR-1 | 11-10-22 | 13-10-22 | 2 |
| | 2022-23 | Mar-23 | GSTR-1 | 11-04-23 | 14-04-23 | 3 |
| | 2022-23 | Aug-22 | GSTR-3B | 20-09-22 | 21-09-22 | 1 |
| | 2022-23 | Mar-23 | GSTR-3B | 20-04-23 | 17-05-23 | 27 |
| | 2023-24 | Apr-23 | GSTR-1 | 11-05-23 | 17-05-23 | 6 |
| | 2023-24 | Jun-23 | GSTR-1 | 11-07-23 | 11-09-23 | 62 |
| | 2023-24 | Jul-23 | GSTR-1 | 11-08-23 | 11-09-23 | 31 |
| | 2023-24 | Aug-23 | GSTR-1 | 11-09-23 | 13-09-23 | 2 |
| | 2023-24 | Sep-23 | GSTR-1 | 11-10-23 | 27-12-23 | 77 |
| | 2023-24 | Oct-23 | GSTR-1 | 11-11-23 | 11-01-24 | 61 |
| | 2023-24 | Nov-23 | GSTR-1 | 11-12-23 | 31-01-24 | 51 |
| | 2023-24 | Dec-23 | GSTR-1 | 11-01-24 | 22-04-24 | 102 |
| | 2023-24 | Jan-24 | GSTR-1 | 11-02-24 | 23-05-24 | 102 |
| | 2023-24 | Feb-24 | GSTR-1 | 11-03-24 | 23-05-24 | 73 |
| | 2023-24 | Mar-24 | GSTR-1 | 11-04-24 | 23-05-24 | 42 |
| | 2023-24 | May-23 | GSTR-3B | 20-06-23 | 11-09-23 | 83 |
| | 2023-24 | Jun-23 | GSTR-3B | 20-07-23 | 11-09-23 | 53 |
| | 2023-24 | Jul-23 | GSTR-3B | 20-08-23 | 11-09-23 | 22 |
| | 2023-24 | Aug-23 | GSTR-3B | 20-09-23 | 27-12-23 | 98 |
| | 2023-24 | Sep-23 | GSTR-3B | 20-10-23 | 27-12-23 | 68 |
| | 2023-24 | Oct-23 | GSTR-3B | 20-11-23 | 30-01-24 | 71 |
| | 2023-24 | Nov-23 | GSTR-3B | 20-12-23 | 14-03-24 | 85 |
| | 2023-24 | Dec-23 | GSTR-3B | 20-01-24 | 23-05-24 | 124 |
| | 2023-24 | Jan-24 | GSTR-3B | 20-02-24 | 23-05-24 | 93 |
| | 2023-24 | Feb-24 | GSTR-3B | 20-03-24 | 23-05-24 | 64 |



| | | | | | | |
|------------------------|---------|---------|----------|----------|----------|-----|
| | 2023-24 | Mar-24 | GSTR-3B | 20-04-24 | 23-05-24 | 33 |
| 20AAICP0257B1Z4 | 2021-22 | Apr-21 | GSTR-1 | 11-05-21 | 18-07-21 | 68 |
| | 2021-22 | May-21 | GSTR-1 | 11-06-21 | 24-07-21 | 43 |
| | 2021-22 | Jun-21 | GSTR-1 | 11-07-21 | 24-07-21 | 13 |
| | 2021-22 | Aug-21 | GSTR-1 | 11-09-21 | 24-09-21 | 13 |
| | 2021-22 | Sep-21 | GSTR-1 | 11-10-21 | 10-12-21 | 60 |
| | 2021-22 | Oct-21 | GSTR-1 | 11-11-21 | 10-12-21 | 29 |
| | 2021-22 | Nov-21 | GSTR-1 | 11-12-21 | 23-12-21 | 12 |
| | 2021-22 | Dec-21 | GSTR-1 | 11-01-22 | 26-02-22 | 46 |
| | 2021-22 | Jan-22 | GSTR-1 | 11-02-22 | 26-02-22 | 15 |
| | 2021-22 | Mar-22 | GSTR-1 | 11-04-22 | 05-06-22 | 55 |
| | 2021-22 | Apr-21 | GSTR-3B | 20-05-21 | 18-07-21 | 59 |
| | 2021-22 | May-21 | GSTR-3B | 20-06-21 | 24-07-21 | 34 |
| | 2021-22 | Jun-21 | GSTR-3B | 20-07-21 | 31-07-21 | 11 |
| | 2021-22 | Jul-21 | GSTR-3B | 20-08-21 | 07-09-21 | 18 |
| | 2021-22 | Aug-21 | GSTR-3B | 20-09-21 | 29-11-21 | 70 |
| | 2021-22 | Sep-21 | GSTR-3B | 20-10-21 | 10-12-21 | 51 |
| | 2021-22 | Oct-21 | GSTR-3B | 20-11-21 | 10-12-21 | 20 |
| | 2021-22 | Nov-21 | GSTR-3B | 20-12-21 | 26-02-22 | 68 |
| | 2021-22 | Dec-21 | GSTR-3B | 20-01-22 | 26-02-22 | 37 |
| | 2021-22 | Jan-22 | GSTR-3B | 20-02-22 | 02-03-22 | 10 |
| | 2021-22 | Feb-22 | GSTR-3B | 20-03-22 | 05-06-22 | 77 |
| | 2021-22 | Mar-22 | GSTR-3B | 20-04-22 | 19-07-22 | 90 |
| | 2022-23 | Apr-22 | GSTR-1 | 11-05-22 | 19-07-22 | 69 |
| | 2022-23 | May-22 | GSTR-1 | 11-06-22 | 18-08-22 | 68 |
| | 2022-23 | Jun-22 | GSTR-1 | 11-07-22 | 27-09-22 | 78 |
| | 2022-23 | Jul-22 | GSTR-1 | 11-08-22 | 17-10-22 | 67 |
| | 2022-23 | Aug-22 | GSTR-1 | 11-09-22 | 16-12-22 | 96 |
| | 2022-23 | Sep-22 | GSTR-1 | 11-10-22 | 10-01-23 | 91 |
| | 2022-23 | Oct-22 | GSTR-1 | 11-11-22 | 13-02-23 | 94 |
| | 2022-23 | Nov-22 | GSTR-1 | 11-12-22 | 15-02-23 | 66 |
| | 2022-23 | Dec-22 | GSTR-1 | 11-01-23 | 10-03-23 | 58 |
| | 2022-23 | Jan-23 | GSTR-1 | 11-02-23 | 10-03-23 | 27 |
| | 2022-23 | Mar-23 | GSTR-1 | 11-04-23 | 14-04-23 | 3 |
| | 2022-23 | Apr-22 | GSTR-3B | 20-05-22 | 18-08-22 | 90 |
| | 2022-23 | May-22 | GSTR-3B | 20-06-22 | 18-08-22 | 59 |
| | 2022-23 | Jun-22 | GSTR-3B | 20-07-22 | 27-09-22 | 69 |
| | 2022-23 | Jul-22 | GSTR-3B | 20-08-22 | 16-12-22 | 118 |
| | 2022-23 | Aug-22 | GSTR-3B | 20-09-22 | 16-12-22 | 87 |
| | 2022-23 | Sep-22 | GSTR-3B | 20-10-22 | 10-01-23 | 82 |
| | 2022-23 | Oct-22 | GSTR-3B | 20-11-22 | 13-02-23 | 85 |
| 2022-23 | Nov-22 | GSTR-3B | 20-12-22 | 10-03-23 | 80 | |



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|--------------------|---------|--------|---------|----------|----------|----|
| | 2022-23 | Dec-22 | GSTR-3B | 20-01-23 | 10-03-23 | 49 |
| | 2022-23 | Jan-23 | GSTR-3B | 20-02-23 | 10-03-23 | 18 |
| | 2022-23 | Mar-23 | GSTR-3B | 20-04-23 | 08-06-23 | 49 |
| | 2023-24 | Apr-23 | GSTR-1 | 11-05-23 | 10-06-23 | 30 |
| | 2023-24 | May-23 | GSTR-1 | 11-06-23 | 15-07-23 | 34 |
| | 2023-24 | Jun-23 | GSTR-1 | 11-07-23 | 18-08-23 | 38 |
| | 2023-24 | Jul-23 | GSTR-1 | 11-08-23 | 04-10-23 | 54 |
| | 2023-24 | Aug-23 | GSTR-1 | 11-09-23 | 03-11-23 | 53 |
| | 2023-24 | Sep-23 | GSTR-1 | 11-10-23 | 29-11-23 | 49 |
| | 2023-24 | Oct-23 | GSTR-1 | 11-11-23 | 11-01-24 | 61 |
| | 2023-24 | Nov-23 | GSTR-1 | 11-12-23 | 21-02-24 | 72 |
| | 2023-24 | Dec-23 | GSTR-1 | 11-01-24 | 21-02-24 | 41 |
| | 2023-24 | Jan-24 | GSTR-1 | 11-02-24 | 22-03-24 | 40 |
| | 2023-24 | Feb-24 | GSTR-1 | 11-03-24 | 23-03-24 | 12 |
| | 2023-24 | Mar-24 | GSTR-1 | 11-04-24 | 02-05-24 | 21 |
| | 2023-24 | Apr-23 | GSTR-3B | 20-05-23 | 15-07-23 | 56 |
| | 2023-24 | May-23 | GSTR-3B | 20-06-23 | 18-08-23 | 59 |
| | 2023-24 | Jun-23 | GSTR-3B | 20-07-23 | 04-10-23 | 76 |
| | 2023-24 | Jul-23 | GSTR-3B | 20-08-23 | 03-11-23 | 45 |
| | 2023-24 | Aug-23 | GSTR-3B | 20-09-23 | 29-11-23 | 69 |
| | 2023-24 | Sep-23 | GSTR-3B | 20-10-23 | 11-01-24 | 64 |
| | 2023-24 | Oct-23 | GSTR-3B | 20-11-23 | 21-02-24 | 93 |
| | 2023-24 | Nov-23 | GSTR-3B | 20-12-23 | 21-02-24 | 63 |
| | 2023-24 | Dec-23 | GSTR-3B | 20-01-24 | 22-03-24 | 61 |
| | 2023-24 | Jan-24 | GSTR-3B | 20-02-24 | 23-03-24 | 32 |
| | 2023-24 | Feb-24 | GSTR-3B | 20-03-24 | 11-04-24 | 22 |
| | 2023-24 | Mar-24 | GSTR-3B | 20-04-24 | - | - |
| EPF | | | | | | |
| EPF Kolkata | 2020-21 | Apr-20 | - | 15-05-20 | 19-06-20 | 35 |
| | 2020-21 | Sep-20 | - | 15-10-20 | 22-10-20 | 7 |
| | 2020-21 | Oct-20 | - | 15-11-20 | 18-11-20 | 3 |
| | 2020-21 | Dec-20 | - | 15-01-21 | 18-01-21 | 3 |
| | 2021-22 | Apr-21 | - | 15-05-21 | 20-05-21 | 5 |
| | 2021-22 | Aug-21 | - | 15-09-21 | 23-12-21 | 99 |
| | 2021-22 | Sep-21 | - | 15-10-21 | 23-12-21 | 69 |
| | 2021-22 | Oct-21 | - | 15-11-21 | 23-12-21 | 38 |
| | 2021-22 | Nov-21 | - | 15-12-21 | 23-12-21 | 8 |
| | 2022-23 | Jun-22 | - | 15-07-22 | 23-07-22 | 8 |
| | 2022-23 | Mar-23 | - | 15-04-23 | 16-06-23 | 62 |
| | 2023-24 | Apr-23 | - | 15-05-23 | 16-06-23 | 32 |
| | 2023-24 | Jun-23 | - | 15-07-23 | 17-07-23 | 2 |
| | 2023-24 | Jul-23 | - | 15-08-23 | 21-08-23 | 6 |



| | | | | | | |
|-------------------|---------|--------|---|----------|----------|-----|
| | 2023-24 | Sep-23 | - | 15-10-23 | 23-11-23 | 39 |
| | 2023-24 | Oct-23 | - | 15-11-23 | 01-12-23 | 16 |
| | 2023-24 | Nov-23 | - | 15-12-23 | 22-12-23 | 7 |
| | 2023-24 | Dec-23 | - | 15-01-24 | 17-01-24 | 2 |
| | 2023-24 | Mar-24 | - | 15-04-24 | 16-04-24 | 1 |
| EPF Patna | 2020-21 | Apr-20 | - | 15-05-20 | 19-06-20 | 35 |
| | 2020-21 | Sep-20 | - | 15-10-20 | 22-10-20 | 7 |
| | 2020-21 | Oct-20 | - | 15-11-20 | 28-11-20 | 13 |
| | 2020-21 | Nov-20 | - | 15-12-20 | 21-12-20 | 6 |
| | 2020-21 | Dec-20 | - | 15-01-21 | 26-01-21 | 11 |
| | 2020-21 | Feb-21 | - | 15-03-21 | 16-03-21 | 1 |
| | 2021-22 | Apr-21 | - | 15-05-21 | 20-05-21 | 5 |
| | 2021-22 | Jul-21 | - | 15-08-21 | 22-01-22 | 160 |
| | 2021-22 | Aug-21 | - | 15-09-21 | 22-01-22 | 129 |
| | 2021-22 | Sep-21 | - | 15-10-21 | 22-01-22 | 99 |
| | 2021-22 | Oct-21 | - | 15-11-21 | 22-01-22 | 68 |
| | 2021-22 | Nov-21 | - | 15-12-21 | 22-01-22 | 38 |
| | 2021-22 | Dec-21 | - | 15-01-22 | 22-01-22 | 7 |
| | 2021-22 | Jan-22 | - | 15-02-22 | 22-02-22 | 7 |
| | 2022-23 | Jul-22 | - | 15-08-22 | 18-01-23 | 156 |
| | 2022-23 | Aug-22 | - | 15-09-22 | 18-01-23 | 125 |
| | 2022-23 | Sep-22 | - | 15-10-22 | 18-01-23 | 95 |
| | 2022-23 | Oct-22 | - | 15-11-22 | 18-01-23 | 64 |
| | 2022-23 | Nov-22 | - | 15-12-22 | 18-01-23 | 34 |
| | 2022-23 | Dec-22 | - | 15-01-23 | 18-01-23 | 3 |
| | 2022-23 | Jan-23 | - | 15-02-23 | 17-03-23 | 30 |
| | 2022-23 | Feb-23 | - | 15-03-23 | 17-03-23 | 2 |
| | 2022-23 | Mar-23 | - | 15-04-23 | 24-08-23 | 131 |
| | 2023-24 | Apr-23 | - | 15-05-23 | 24-08-23 | 101 |
| | 2023-24 | May-23 | - | 15-06-23 | 28-08-23 | 74 |
| | 2023-24 | Jun-23 | - | 15-07-23 | 28-08-23 | 44 |
| | 2023-24 | Jul-23 | - | 15-08-23 | 28-08-23 | 13 |
| | 2023-24 | Aug-23 | - | 15-09-23 | 14-12-23 | 90 |
| | 2023-24 | Sep-23 | - | 15-10-23 | 14-12-23 | 60 |
| | 2023-24 | Oct-23 | - | 15-11-23 | 19-12-23 | 34 |
| | 2023-24 | Nov-23 | - | 15-12-23 | 13-02-24 | 60 |
| | 2023-24 | Dec-23 | - | 15-01-24 | 13-02-24 | 29 |
| | 2023-24 | Mar-24 | - | 15-04-24 | 16-04-24 | 1 |
| EPF Ranchi | 2020-21 | Apr-20 | - | 15-05-20 | 19-06-20 | 35 |
| | 2020-21 | Sep-20 | - | 15-10-20 | 22-10-20 | 7 |
| | 2020-21 | Oct-20 | - | 15-11-20 | 28-11-20 | 13 |
| | 2020-21 | Dec-20 | - | 15-01-21 | 18-01-21 | 3 |



| | | | | | | |
|----------------------|---------|--------|---|----------|----------|----|
| | 2020-21 | Jan-21 | - | 15-02-21 | 02-03-21 | 15 |
| | 2020-21 | Mar-21 | - | 15-04-21 | 25-04-21 | 10 |
| | 2021-22 | Apr-21 | - | 15-05-21 | 22-05-21 | 7 |
| | 2022-23 | Dec-22 | - | 15-01-23 | 01-02-23 | 17 |
| | 2023-24 | Apr-23 | - | 15-05-23 | 01-06-23 | 17 |
| | 2023-24 | Jun-23 | - | 15-07-23 | 17-07-23 | 2 |
| | 2023-24 | Jul-23 | - | 15-08-23 | 28-08-23 | 13 |
| | 2023-24 | Sep-23 | - | 15-10-23 | 26-10-23 | 11 |
| | 2023-24 | Oct-23 | - | 15-11-23 | 19-12-23 | 34 |
| | 2023-24 | Nov-23 | - | 15-12-23 | 20-12-23 | 5 |
| | 2023-24 | Dec-23 | - | 15-01-24 | 17-01-24 | 2 |
| | 2023-24 | Mar-24 | - | 15-04-24 | 16-04-24 | 1 |
| EPF Jharkhand | 2020-21 | Apr-20 | - | 15-05-20 | 19-06-20 | 35 |
| | 2020-21 | Sep-20 | - | 15-10-20 | 22-10-20 | 7 |
| | 2020-21 | Oct-20 | - | 15-11-20 | 28-11-20 | 13 |
| | 2020-21 | Nov-20 | - | 15-12-20 | 21-12-20 | 6 |
| | 2020-21 | Dec-20 | - | 15-01-21 | 28-01-21 | 13 |
| | 2021-22 | Apr-21 | - | 15-05-21 | 22-05-21 | 7 |
| | 2021-22 | Aug-21 | - | 15-09-21 | 28-09-21 | 13 |
| | 2021-22 | Sep-21 | - | 15-10-21 | 19-10-21 | 4 |
| | 2021-22 | Dec-21 | - | 15-01-22 | 18-01-22 | 3 |
| | 2023-24 | Jun-23 | - | 15-07-23 | 17-07-23 | 2 |
| | 2023-24 | Jul-23 | - | 15-08-23 | 17-08-23 | 2 |
| | 2023-24 | Sep-23 | - | 15-10-23 | 26-10-23 | 11 |
| | 2023-24 | Oct-23 | - | 15-11-23 | 23-11-23 | 8 |
| | 2023-24 | Nov-23 | - | 15-12-23 | 20-12-23 | 5 |
| | 2023-24 | Dec-23 | - | 15-01-24 | 17-01-24 | 2 |
| | 2023-24 | Mar-24 | - | 15-04-24 | 16-04-24 | 1 |
| ESI | | | | | | |
| ESI Kolkata | 2020-21 | Oct-20 | - | 15-11-20 | 19-11-20 | 4 |
| | 2020-21 | Nov-20 | - | 15-12-20 | 28-01-21 | 44 |
| | 2020-21 | Dec-20 | - | 15-01-21 | 28-01-21 | 13 |
| | 2020-21 | Jan-21 | - | 15-02-21 | 06-04-21 | 50 |
| | 2020-21 | Feb-21 | - | 15-03-21 | 06-04-21 | 22 |
| | 2020-21 | Mar-21 | - | 15-04-21 | 05-06-21 | 51 |
| | 2021-22 | Apr-21 | - | 15-05-21 | 05-06-21 | 21 |
| | 2021-22 | Jul-21 | - | 15-08-21 | 25-08-21 | 10 |
| | 2021-22 | Aug-21 | - | 15-09-21 | 24-09-21 | 9 |
| | 2021-22 | Sep-21 | - | 15-10-21 | 18-10-21 | 3 |
| | 2021-22 | Oct-21 | - | 15-11-21 | 17-11-21 | 2 |
| | 2021-22 | Jan-22 | - | 15-02-22 | 16-02-22 | 1 |
| | 2021-22 | Feb-22 | - | 15-03-22 | 24-03-22 | 9 |



| | | | | | | |
|------------------|---------|--------|---|----------|----------|-----|
| | 2021-22 | Mar-22 | - | 15-04-22 | 23-05-22 | 38 |
| | 2022-23 | Apr-22 | - | 15-05-22 | 30-05-22 | 15 |
| | 2022-23 | May-22 | - | 15-06-22 | 22-06-22 | 7 |
| | 2022-23 | Jun-22 | - | 15-07-22 | 25-07-22 | 10 |
| | 2022-23 | Jul-22 | - | 15-08-22 | 01-02-23 | 170 |
| | 2022-23 | Aug-22 | - | 15-09-22 | 01-02-23 | 139 |
| | 2022-23 | Nov-22 | - | 15-12-22 | 01-02-23 | 48 |
| | 2022-23 | Dec-22 | - | 15-01-23 | 01-02-23 | 17 |
| | 2022-23 | Jan-23 | - | 15-02-23 | 03-03-23 | 16 |
| | 2022-23 | Feb-23 | - | 15-03-23 | 18-03-23 | 3 |
| | 2022-23 | Mar-23 | - | 15-04-23 | 23-12-23 | 252 |
| | 2023-24 | Oct-23 | - | 15-11-23 | 23-12-23 | 38 |
| | 2023-24 | Nov-23 | - | 15-12-23 | 23-12-23 | 8 |
| | 2023-24 | Dec-23 | - | 15-01-24 | 16-03-24 | 61 |
| | 2023-24 | Jan-24 | - | 15-02-24 | 16-04-24 | 61 |
| | 2023-24 | Feb-24 | - | 15-03-24 | 16-04-24 | 32 |
| | 2023-24 | Mar-24 | - | 15-04-24 | 18-04-24 | 3 |
| ESI Patna | 2020-21 | Oct-20 | - | 15-11-20 | 19-11-20 | 4 |
| | 2020-21 | Nov-20 | - | 15-12-20 | 26-02-21 | 73 |
| | 2020-21 | Dec-20 | - | 15-01-21 | 26-02-21 | 42 |
| | 2020-21 | Jan-21 | - | 15-02-21 | 07-04-21 | 51 |
| | 2020-21 | Feb-21 | - | 15-03-21 | 07-04-21 | 23 |
| | 2021-22 | Apr-21 | - | 15-05-21 | 03-07-21 | 49 |
| | 2021-22 | Jul-21 | - | 15-08-21 | 25-08-21 | 10 |
| | 2021-22 | Aug-21 | - | 15-09-21 | 24-09-21 | 9 |
| | 2021-22 | Sep-21 | - | 15-10-21 | 18-10-21 | 3 |
| | 2021-22 | Oct-21 | - | 15-11-21 | 17-11-21 | 2 |
| | 2021-22 | Jan-22 | - | 15-02-22 | 16-02-22 | 1 |
| | 2021-22 | Feb-22 | - | 15-03-22 | 24-03-22 | 9 |
| | 2021-22 | Mar-22 | - | 15-04-22 | 23-05-22 | 38 |
| | 2022-23 | Apr-22 | - | 15-05-22 | 30-05-22 | 15 |
| | 2022-23 | May-22 | - | 15-06-22 | 22-06-22 | 7 |
| | 2022-23 | Jun-22 | - | 15-07-22 | 25-07-22 | 10 |
| | 2022-23 | Jul-22 | - | 15-08-22 | 01-02-23 | 170 |
| | 2022-23 | Aug-22 | - | 15-09-22 | 01-02-23 | 139 |
| | 2022-23 | Sep-22 | - | 15-10-22 | 01-02-23 | 109 |
| | 2022-23 | Nov-22 | - | 15-12-22 | 01-02-23 | 48 |
| | 2022-23 | Dec-22 | - | 15-01-23 | 01-02-23 | 17 |
| | 2022-23 | Jan-23 | - | 15-02-23 | 03-03-23 | 16 |
| | 2022-23 | Feb-23 | - | 15-03-23 | 18-03-23 | 3 |
| | 2022-23 | Mar-23 | - | 15-04-23 | 07-03-24 | 327 |
| | 2023-24 | Apr-23 | - | 15-05-23 | 13-02-24 | 274 |



| | | | | | | |
|-------------------|---------|--------|---|----------|----------|-----|
| | 2023-24 | May-23 | - | 15-06-23 | 14-12-23 | 182 |
| | 2023-24 | Jun-23 | - | 15-07-23 | 14-12-23 | 152 |
| | 2023-24 | Jul-23 | - | 15-08-23 | 01-12-23 | 108 |
| | 2023-24 | Aug-23 | - | 15-09-23 | 19-12-23 | 95 |
| | 2023-24 | Sep-23 | - | 15-10-23 | 19-12-23 | 65 |
| | 2023-24 | Oct-23 | - | 15-11-23 | 20-12-23 | 35 |
| | 2023-24 | Nov-23 | - | 15-12-23 | 23-12-23 | 8 |
| | 2023-24 | Dec-23 | - | 15-01-24 | 16-03-24 | 61 |
| | 2023-24 | Jan-24 | - | 15-02-24 | 16-04-24 | 61 |
| | 2023-24 | Feb-24 | - | 15-03-24 | 16-04-24 | 32 |
| | 2023-24 | Mar-24 | - | 15-04-24 | 18-04-24 | 3 |
| ESI Ranchi | 2020-21 | Oct-20 | - | 15-11-20 | 19-11-20 | 4 |
| | 2020-21 | Nov-20 | - | 15-12-20 | 28-01-21 | 44 |
| | 2020-21 | Dec-20 | - | 15-01-21 | 28-01-21 | 13 |
| | 2020-21 | Jan-21 | - | 15-02-21 | 03-03-21 | 16 |
| | 2020-21 | Feb-21 | - | 15-03-21 | 06-04-21 | 22 |
| | 2020-21 | Mar-21 | - | 15-04-21 | 09-05-21 | 24 |
| | 2021-22 | Apr-21 | - | 15-05-21 | 05-06-21 | 21 |
| | 2021-22 | Jul-21 | - | 15-08-21 | 25-08-21 | 10 |
| | 2021-22 | Aug-21 | - | 15-09-21 | 24-09-21 | 9 |
| | 2021-22 | Sep-21 | - | 15-10-21 | 18-10-21 | 3 |
| | 2021-22 | Oct-21 | - | 15-11-21 | 16-11-21 | 1 |
| | 2021-22 | Jan-22 | - | 15-02-22 | 16-02-22 | 1 |
| | 2021-22 | Feb-22 | - | 15-03-22 | 23-03-22 | 8 |
| | 2021-22 | Mar-22 | - | 15-04-22 | 23-05-22 | 38 |
| | 2022-23 | Apr-22 | - | 15-05-22 | 30-05-22 | 15 |
| | 2022-23 | May-22 | - | 15-06-22 | 22-06-22 | 7 |
| | 2022-23 | Jun-22 | - | 15-07-22 | 25-07-22 | 10 |
| | 2022-23 | Jul-22 | - | 15-08-22 | 21-09-22 | 37 |
| | 2022-23 | Aug-22 | - | 15-09-22 | 21-09-22 | 6 |
| | 2022-23 | Sep-22 | - | 15-10-22 | 01-11-22 | 17 |
| | 2022-23 | Dec-22 | - | 15-01-23 | 01-02-23 | 17 |
| | 2022-23 | Jan-23 | - | 15-02-23 | 02-03-23 | 15 |
| | 2022-23 | Feb-23 | - | 15-03-23 | 17-03-23 | 2 |
| | 2022-23 | Mar-23 | - | 15-04-23 | 19-04-23 | 4 |
| | 2023-24 | Apr-23 | - | 15-05-23 | 23-02-24 | 284 |
| | 2023-24 | May-23 | - | 15-06-23 | 13-12-23 | 181 |
| | 2023-24 | Jun-23 | - | 15-07-23 | 13-12-23 | 151 |
| | 2023-24 | Jul-23 | - | 15-08-23 | 01-12-23 | 108 |
| | 2023-24 | Aug-23 | - | 15-09-23 | 13-12-23 | 89 |
| | 2023-24 | Sep-23 | - | 15-10-23 | 13-12-23 | 59 |
| | 2023-24 | Oct-23 | - | 15-11-23 | 20-12-23 | 35 |



| | | | | | | |
|---------------------------|-------------------|--------|---|----------|----------|-----|
| | 2023-24 | Nov-23 | - | 15-12-23 | 23-12-23 | 8 |
| | 2023-24 | Dec-23 | - | 15-01-24 | 15-03-24 | 60 |
| | 2023-24 | Jan-24 | - | 15-02-24 | 16-04-24 | 61 |
| | 2023-24 | Feb-24 | - | 15-03-24 | 16-04-24 | 32 |
| | 2023-24 | Mar-24 | - | 15-04-24 | 18-04-24 | 3 |
| ESI Jharkhand | 2020-21 | Oct-20 | - | 15-11-20 | 19-11-20 | 4 |
| | 2020-21 | Nov-20 | - | 15-12-20 | 28-01-21 | 44 |
| | 2020-21 | Dec-20 | - | 15-01-21 | 28-01-21 | 13 |
| | 2020-21 | Jan-21 | - | 15-02-21 | 03-03-21 | 16 |
| | 2020-21 | Feb-21 | - | 15-03-21 | 06-04-21 | 22 |
| | 2020-21 | Mar-21 | - | 15-04-21 | 09-05-21 | 24 |
| | 2021-22 | Apr-21 | - | 15-05-21 | 05-06-21 | 21 |
| | 2021-22 | Jul-21 | - | 15-08-21 | 25-08-21 | 10 |
| | 2021-22 | Aug-21 | - | 15-09-21 | 24-09-21 | 9 |
| | 2021-22 | Sep-21 | - | 15-10-21 | 18-10-21 | 3 |
| | 2021-22 | Oct-21 | - | 15-11-21 | 17-11-21 | 2 |
| | 2021-22 | Jan-22 | - | 15-02-22 | 16-02-22 | 1 |
| | 2021-22 | Feb-22 | - | 15-03-22 | 23-03-22 | 8 |
| | 2021-22 | Mar-22 | - | 15-04-22 | 23-05-22 | 38 |
| | 2022-23 | Apr-22 | - | 15-05-22 | 30-05-22 | 15 |
| | 2022-23 | May-22 | - | 15-06-22 | 22-06-22 | 7 |
| | 2022-23 | Jun-22 | - | 15-07-22 | 25-07-22 | 10 |
| | 2022-23 | Jul-22 | - | 15-08-22 | 21-09-22 | 37 |
| | 2022-23 | Aug-22 | - | 15-09-22 | 21-09-22 | 6 |
| | 2022-23 | Sep-22 | - | 15-10-22 | 14-11-22 | 30 |
| | 2022-23 | Dec-22 | - | 15-01-23 | 01-02-23 | 17 |
| | 2022-23 | Jan-23 | - | 15-02-23 | 02-03-23 | 15 |
| | 2022-23 | Feb-23 | - | 15-03-23 | 17-03-23 | 2 |
| | 2022-23 | Mar-23 | - | 15-04-23 | 19-04-23 | 4 |
| | 2023-24 | May-23 | - | 15-06-23 | 13-12-23 | 181 |
| | 2023-24 | Jun-23 | - | 15-07-23 | 13-12-23 | 151 |
| | 2023-24 | Jul-23 | - | 15-08-23 | 01-12-23 | 108 |
| | 2023-24 | Aug-23 | - | 15-09-23 | 13-12-23 | 89 |
| | 2023-24 | Sep-23 | - | 15-10-23 | 13-12-23 | 59 |
| | 2023-24 | Oct-23 | - | 15-11-23 | 20-12-23 | 35 |
| | 2023-24 | Nov-23 | - | 15-12-23 | 23-12-23 | 8 |
| | 2023-24 | Dec-23 | - | 15-01-24 | 15-03-24 | 60 |
| | 2023-24 | Jan-24 | - | 15-02-24 | 16-04-24 | 61 |
| | 2023-24 | Feb-24 | - | 15-03-24 | 16-04-24 | 32 |
| | 2023-24 | Mar-24 | - | 15-04-24 | 18-04-24 | 3 |
| | Income Tax | | | | | |
| Income Tax Filings | 2015-16 | | - | 17-10-16 | 04-11-16 | 18 |



| | | | | | | |
|-------------------|---------|---------|---|----------|----------|-----|
| | 2018-19 | | - | 31-10-19 | 31-01-20 | 92 |
| | 2019-20 | | - | 31-01-21 | 22-06-21 | 142 |
| TDS | | | | | | |
| TDS return | 2020-21 | 1st Qtr | - | 15-07-20 | 05-06-21 | 325 |
| TDS return | 2020-21 | 2nd Qtr | - | 15-10-20 | 05-06-21 | 233 |
| TDS return | 2020-21 | 3rd Qtr | - | 15-01-21 | 05-06-21 | 141 |
| TDS return | 2020-21 | 4th Qtr | - | 31-05-21 | 05-06-21 | 5 |
| TDS return | 2021-22 | 1st Qtr | - | 15-07-21 | 13-06-22 | 333 |
| TDS return | 2021-22 | 2nd Qtr | - | 15-10-21 | 13-06-22 | 241 |
| TDS return | 2021-22 | 3rd Qtr | - | 15-01-22 | 13-06-22 | 149 |
| TDS return | 2021-22 | 4th Qtr | - | 31-05-22 | 13-06-22 | 13 |
| TDS return | 2022-23 | 1st Qtr | - | 15-07-22 | 19-07-22 | 4 |
| TDS return | 2022-23 | 2nd Qtr | - | 15-10-22 | 03-12-22 | 49 |
| TDS return | 2022-23 | 3rd Qtr | - | 15-01-23 | 02-02-23 | 18 |
| TDS return | 2022-23 | 4th Qtr | - | 31-05-23 | 24-06-23 | 24 |
| TDS return | 2023-24 | 1st Qtr | - | 15-07-23 | 20-01-24 | 189 |
| TDS return | 2023-24 | 2nd Qtr | - | 15-10-23 | 20-01-24 | 97 |
| TDS return | 2023-24 | 3rd Qtr | - | 15-01-24 | 08-02-24 | 24 |

Aside from the late filing penalty, there are no additional risks associated with delayed filings. The company is committed to implementing measures to ensure timely submissions in the future.

41. Our insurance policy may not be adequate to cover all the losses which a business could incur. Any inability to maintain adequate cover from material adverse incidents may adversely affect our operation and profitability.

We do not procure insurance policies for the goods that are managed and transported by our company. Further, insurance policies are procured by our clients as per the agreements with them. However, in case of any damage and loss of goods in transit, we are liable for a certain amount of damaged or lost goods, as mentioned in the agreement with such parties. This exposes us to a certain potential financial loss in the event of damage, loss, or other unforeseen incidents during transportation or warehouses. This lack of coverage presents a risk to our operations and financial stability.

We have obtained some insurance policies in connection with our business as given in chapter titled “Our Business” on page 151. While we are of the opinion that the insurance coverage which our Company maintains would be reasonably adequate to cover the normal risks associated with the operations of our business, we cannot assure you that 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. Our Company’s insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or 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, cash flows and financial condition may be adversely affected.



42. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.

Our restated summary statements of assets and liabilities, restated summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the nine months period ended December 31, 2023, and financial 2023, 2022 and 2021 have been prepared in accordance with the Indian GAAP.

We have not attempted to quantify the impact of Indian GAAP, US GAAP, IFRS or any other system of accounting principles on the financial data included in the Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP, Indian GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Information included in the Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Red Herring Prospectus should accordingly be limited.

43. We have not made any alternate arrangements in order to meet our capital requirements for the Objects of the Issue. Additionally, 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, our Company has not made any alternate arrangements for meeting the capital requirements for the Objects of the Issue. We meet our capital requirements through our internal accruals. Any shortfall in the same 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" on page 95 of this Draft Red Herring Prospectus.

44. Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuations.

Our Company is involved in business transactions with international clients located globally and has to conduct the transactions in accordance with the rules and regulations prescribed under FEMA. Our international operations make us susceptible to the risk of currency fluctuations, which may directly affect our operating results. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it may adversely affect our business, results of operations, financial conditions and cash flows.

45. Fluctuation of Interest rate may adversely affect the Company's business.



For meeting capital requirement in ordinary course of our business for general capital purpose, we have or may enter into certain borrowing agreements to meet those requirements. In the event interest rates increase, the cost of borrowing will also be increased, which will have an adverse effect on cash flow and profitability.

As on December 31, 2023, our Company has a total outstanding secured borrowings from banks and financial institutions aggregating to Rs 1890.63 lakhs and Unsecured Loan aggregating to Rs. 94.15lakhs, as per the certificate issued by M/s Goyal Parul & Co., chartered accountants, dated May 25, 2024.

Set forth below is a summary of our aggregate borrowings from banks and financial institutions:

SECURED LOAN:

(Rupees in Lakhs)

| Name of persons/companies | Loan Amounts | Rate of Interest/ Commission (%) | Nature of Loan | Tenure | Outstanding as on December 31, 2023 |
|--|---------------|----------------------------------|----------------|-----------|-------------------------------------|
| HDFC Bank Limited | 1375.00 | 9.10% | Cash Credit | 12 Months | 1,361.14 |
| ICICI Bank Ltd | 40.00 | 8.00% | Vehicle Loan | 36 Months | 21.15 |
| ICICI Bank Ltd | 20.00 | 9.25% | Business Loan | 36 Months | 20.00 |
| YES Bank Ltd | 108.16 | 5.81% | Vehicle Loan | 25 Months | 82.35 |
| Mahindra & Mahindra Finance Ltd | 95.20 | 9.75% | Vehicle Loan | 18 Months | 72.36 |
| Axis Bank Limited | 200.00 | 9.25% | Vehicle Loan | 19 Months | 69.10 |
| Mercedes Benz Financial Services India Ltd | 69.65 | 6.77% | Vehicle Loan | 48 Months | 68.40 |
| HDB Financial Services Ltd | 78.98 | 6.50% | Vehicle Loan | 18 Months | 142.69 |
| Tata Motors Finance Ltd | 59.00 | 9.25% | Corporate Loan | 12 Months | 53.44 |
| TOTAL | 201.73 | | | | 1,890.63 |

UNSECURED LOAN:

(Rupees in Lakhs)

| Name of persons/companies | Loan Amounts | Rate of Interest | Nature of Loan | Nature of Tenure | Outstanding as on December 31, 2023 |
|---------------------------|--------------|------------------|-----------------|------------------|-------------------------------------|
| Pranav Kumar Sonthalia | 53.91 | 0% | Unsecured Loans | NA | 53.91 |
| Anusuyra Rajgaria | 23.00 | 0% | Unsecured Loans | NA | 23.00 |
| Vincent Public School | 0.84 | 0% | Unsecured Loans | NA | 0.84 |
| Sangita Singh | 8.00 | 0% | Unsecured Loans | NA | 8.00 |
| Gaurav Kumar Choudhury | 6.00 | 0% | Unsecured Loans | NA | 6.00 |
| Pappu Choudhury | 2.40 | 0% | Unsecured Loans | NA | 2.40 |
| TOTAL | 94.15 | | | | 94.15 |

For Further Information, please refer to the chapter titled “Financial Indebtedness” on page 263 of this Draft Red Herring Prospectus.

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



Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive, and declaration of dividend will depend upon the financial performance of our Company at the time of declaration. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements (if any) in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past and there can be no assurance that our Company will declare dividends in the future. For further details, please refer to the chapter titled “*Dividend Policy*” on pages 218 of this Draft Red Herring Prospectus.

47. Industry information included in this Draft Red Herring Prospectus has been derived from various industry reports from various websites including research done by our company. The reliability on the forecasts of the reports could be incorrect and would significantly impact our operations.

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

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

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

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

Following the Issue, we will be subject to a daily circuit breaker imposed by NSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchange based on the



historical volatility in the price and trading volume of the Equity Shares. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

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

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

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

51. *Equity Shares of our Company have never been publicly traded, and after the Issue, the Equity Shares may be subject to price and volume fluctuations, and an active trading market for the Equity Shares may or may not develop. Further, the Issue Price may not be indicative of the market price of the Equity Shares after the Issue.*

Prior to this Issue of our Company, no public market existed for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation of Equity Shares does not guarantee that a market for the same will develop, or if developed, the liquidity of such market for the Equity Shares cannot be guaranteed. The Issue Price of the Equity Shares is proposed to be determined through a book building process in compliance with Schedule XIII of the SEBI ICDR and the same may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The Issue Price will be based on numerous factors, as described in the section "Basis for Issue Price" beginning on page 110. This price may not necessarily be indicative of the market price of our Equity Shares after the Issue is completed. The market price of Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in.

Our Equity Shares are likely to trade on NSE after the Issue, but there can be no assurance that active trading in our Equity Shares will develop after the Issue, or if such trading develops, that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

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



Under the present Indian tax laws and regulations, unless specifically exempted, capital gains that arise from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax (“STT”) is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of listed equity shares held for more than 12 months, which are sold using any other platform other than on a stock exchange and on which no STT has been paid, are subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

53. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Bid/ Issue Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three Working Days from the Bid/ Issue Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors’ decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors’ ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

54. Sale of Equity Shares by our Promoters or other significant shareholder(s) or any future issue of Equity Shares may dilute your shareholding and adversely affect the trading price of the Equity Shares.

Any future equity issues by us, including in a primary offering, or any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our



Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

55. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.

Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid/ Issue Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/ Issue Closing Date. There could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

57. A third-party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian law.

As a listed Indian company, there are provisions in Indian legal regime that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares



at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

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EXTERNAL RISK FACTORS

- 58. The outbreak and after-effects of COVID-19, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition, cash flows and results of operations.***

The outbreak of any severe communicable disease, as seen in the recent outbreak and aftermath of COVID-19, could materially and adversely affect business sentiment and environment across industries. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and lockdowns. These measures have impacted and may further impact our workforce and operations and also the operations of our clients. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe.

During the lockdown period in response to the COVID-19 pandemic, our Company had certain interim measures in place to ensure business and operational continuity. Our employees worked remotely. However, certain of our operations are dependent on various information technology systems and applications which may not be adequately supported by a robust business continuity plan, which could impact our business in the event of a disaster of any nature. Although we continue to devote resources and management focus, there can be no assurance that these programs will operate effectively.

- 59. The Terrorist attacks, communal disturbances and regional conflicts in South Asia may have a material adverse effect on our business and on the market for securities in India.***

Terrorist attacks, whether in India or another country may adversely affect Indian and worldwide financial markets. These acts may also result in a loss of business confidence and have other consequences that could adversely affect our business, results of operations and financial condition. Some parts of India have experienced communal disturbances and riots during recent years. If such events recur, our business and financial condition may be adversely affected.

South Asia has, from time to time, experienced instances of civil unrest. Military activity or terrorist attacks in the future could adversely affect the Indian economy, and the financial condition and results of operations of Indian companies, including us, which would have an adverse effect on the trading price of our Equity Shares.

- 60. Under Indian legal regime, foreign investors are subject to investment restrictions that limit our Company's ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares. Accordingly, our ability to raise foreign capital may be constrained.***

As a company incorporated in India, we are subject to exchange controls that govern the borrowings in foreign currencies. Further, under applicable foreign exchange regulations in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified under applicable laws. If share transfer is not in compliance with such requirements and does not fall under any of the permissible exceptions, then prior approval of the relevant regulatory authority is required. Such regulatory restrictions limit



our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness.

61. The requirements of being a listed company may strain our resources.

We are not a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated by the virtue of being a listed company. As a listed company, we will incur considerable legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing compliances and reporting requirements to the Stock Exchanges on which equity shares of our Company will be listed, which require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, 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.

62. Any adverse change or downgrading in ratings of India may adversely affect our business, results of operations and cash flows.

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

63. Investors outside India subscribing to this Issue may not be able to enforce any judgment of a foreign court against us, except by way of a suit in India.

Our Company is a limited liability company incorporated under the laws of India. Our Company's assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against our Company or such parties outside India. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended ("Civil Procedure Code"). The United States has not been notified as a reciprocating territory.

In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law. Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

64. Changing laws, rules and regulations and legal uncertainties in India and other countries may adversely affect our business and financial performance.



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

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

65. Regulatory, economic, political scenarios or other factors that are beyond our control may have an adverse effect on our business and financial performance.

Our economy and its securities markets are influenced by economic developments, any adverse economic developments or rising of fiscal or trade deficit may also affect investor confidence and cause increased volatility in securities markets and indirectly affect our economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, and results of operations. Further financial disruption could also have an adverse effect on our business, future financial performance, shareholders’ equity and the price of our Equity Shares

Also, a change in the government or change in deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business and high rates of inflation could increase our costs without proportionately increasing our revenues.

66. Financial instability in other countries may cause increased volatility in Indian and other financial markets.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors’ reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial market and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy.

Financial disruptions may occur again and could harm our results of operations and financial condition. The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.



Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

67. Natural disasters, epidemics, pandemics, acts of war, terrorist attacks and other events could materially and adversely affect our business and profitability.

Natural disasters (such as earthquakes, fire, typhoons, cyclones, hurricanes and floods), pandemics, epidemics, strikes, civil unrest, terrorist attacks and other events, which are beyond our control, may lead to global or regional economic instability, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations. Any of these occurrences could cause severe disruptions to our daily operations and may warrant a temporary closure of our facilities. Such closures may disrupt our business operations and adversely affect our results of operations. Our operation could also be disrupted if our clients are affected by such natural disasters or epidemics. An outbreak or epidemic, such as SARS, the H1N1 and H5N1 viruses or COVID-19 could cause general consumption or the demand for various products to decline, which could result in reduced demand for our services. Such an outbreak or epidemic may significantly interrupt our business operations as health or governmental authorities may impose quarantine and inspection measures on us or our clients.

Moreover, certain regions in India have witnessed terrorist attacks and civil disturbances and it is possible that future terrorist attacks or civil unrest, as well as other adverse social, economic and political events in India could have a negative effect on us. Transportation facilities, including vehicles, can be targets of terrorist attacks, which could lead to, among other things, increased insurance and security costs. Regional and global political or military tensions or conflicts strained or altered foreign relations, protectionism and acts of war or the potential for war could also cause damage and disruption to our business, which could materially and adversely affect our business, financial condition, cash flows and results of operations. Such incidents could create the perception that investments in Indian companies involve a higher degree of risk and such perception could adversely affect our business and the price of the Equity Shares.

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SECTION IV- INTRODUCTION

THE ISSUE

| Particulars | Details of Number of Shares |
|--|--|
| Issue of Equity Shares by our Company | 29,18,400 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh. |
| Of which: | |
| Reserved for Market Makers | 1,61,600 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh. |
| Net Issue to the Public | 27,56,800 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh. |
| Of which: | |
| A. QIB portion ** | Not more than [●] Equity Shares |
| Of which | |
| (a) Anchor Investor Portion | Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs |
| (b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed) | Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs |
| Of which: | |
| (i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs |
| (ii) Balance of QIB Portion for all QIBs including Mutual Funds | Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs |
| B. Non – institutional portion ** | Not Less than [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs |
| C. Retail portion ** | Not Less than [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs |
| Pre-and Post-Issue Equity Shares: | |
| Equity Shares outstanding prior to the Issue | 80,91,750 Equity Shares of Rs.10/- each |
| Equity Shares outstanding after the Issue | 1,10,10,150 Equity Shares of Rs.10/- each |
| Use of Proceeds | Please see the chapter titled “ <i>Objects of the issue</i> ” on page 95 of this Draft Red Herring Prospectus for information about the use of Net Proceeds. |

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

- a) Not less than Thirty five percent to retail individual investor;
- b) Not less than Fifteen percent to non-institutional investor



- c) *Not more than fifty percent to qualified institutional buyers, five percent of which shall be allocated to mutual funds.*

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

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

Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Issue Procedure" on page 295.

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

Notes

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.*
- 2) The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on May 23, 2024 and by our Shareholders pursuant to a resolution passed at the EGM held on May 25, 2024. This Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled "Issue Structure" beginning on page no. 334 of this Draft Red Herring Prospectus.*

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SUMMARY OF OUR FINANCIAL INFORMATION

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rupees in Lakhs)

| Particulars | Note No. | For the period ended 31 December, 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|----------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| A. Equity and Liabilities | | | | | |
| 1 Shareholders' Funds | | | | | |
| (a) Share Capital | I.1 | 539.45 | 539.45 | 260.00 | 260.00 |
| (b) Reserves and Surplus | I.2 | 355.08 | 197.18 | 103.96 | 72.42 |
| | | 894.53 | 736.63 | 363.96 | 332.42 |
| 2 Non-Current Liabilities | | | | | |
| (a) Long-term borrowings | I.3 | 295.88 | 189.38 | 98.76 | 12.50 |
| (b) Other Long-Term Liabilities | I.4 | - | - | - | - |
| (c) Deferred Tax Liabilities | I.5 | 3.30 | - | - | - |
| (d) Long Term Provision | I.6 | - | - | - | - |
| 3 Current liabilities | | | | | |
| (a) Short term borrowings | I.7 | 1,688.90 | 1,192.71 | 479.11 | 216.18 |
| (b) Trade Payables | I.8 | | | | |
| a. Total Outstanding dues of micro enterprises and small enterprises | | - | - | - | - |
| b. Total outstanding dues other than micro enterprises and small enterprises | | 48.45 | 45.02 | 367.58 | 255.54 |
| (c) Other current liabilities | I.9 | 206.07 | 147.95 | 69.27 | 85.01 |
| (d) Short term provisions | I.10 | 61.78 | 41.05 | 25.81 | 10.16 |
| | | | | | |
| Total Equity and Liabilities | | 3,198.91 | 2,352.73 | 1,404.49 | 911.81 |
| B. Assets | | | | | |
| 1 Non-current assets | | | | | |
| (a) Property, plant and equipment and Intangible assets | | | | | |
| (i) Property, plant and Equipment | I.11 | 407.39 | 382.21 | 131.90 | 22.42 |
| (ii) Intangible Assets | I.12 | - | - | - | - |
| (iii) Capital Work In Progress | | | | | |
| (c) Deferred tax assets (net) | I.5 | - | 2.29 | 3.39 | 4.25 |
| (b) Non-Current Investments | I.13 | - | - | - | - |
| (d) Other non-Current Assets | I.14 | 106.75 | 89.97 | 79.13 | 71.04 |
| 2 Current assets | | | | | |
| (a) Inventories | I.15 | - | - | - | - |
| (b) Trade receivables | I.16 | 1,257.01 | 1,086.13 | 658.53 | 516.19 |
| (c) Cash and Bank Balances | I.17 | 860.64 | 580.36 | 303.93 | 216.19 |
| (d) Short term loans and advances | I.18 | 525.56 | 187.30 | 217.86 | 81.43 |
| (e) Other current assets | I.19 | 41.56 | 24.46 | 9.76 | 0.29 |
| | | | | | |
| Total | | 3,198.91 | 2,352.74 | 1,404.48 | 911.81 |

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ANNEXURE – II

RESTATED STATEMENT OF PROFIT AND LOSS

(Rupees in Lakhs)

| Particulars | Note No. | For the period ended 31 December, 2023 | For the period ended 31 March, 2023 | For the period ended 31 March, 2022 | For the period ended 31 March, 2021 | |
|-------------|---|--|-------------------------------------|-------------------------------------|-------------------------------------|-----------------|
| I | Revenue from operations | II.1 | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| II | Other income | II.2 | 50.00 | 37.92 | 14.23 | 9.83 |
| III | Total Income (1+2) | | 4,749.42 | 6,090.62 | 3,360.96 | 2,076.58 |
| IV | Expenditure | | | | | |
| | Cost of Material Consumed | II.3 | - | - | - | - |
| | Purchase of Stock-in-Trade | II.4 | - | - | - | - |
| | Change in Inventory of Finished Goods, Work in Progress, Stock in Trade | II.5 | - | - | - | - |
| | Employee benefit expense | II.6 | 767.20 | 810.27 | 440.02 | 426.01 |
| | Financial costs | II.7 | 129.01 | 81.10 | 23.21 | 7.77 |
| | Depreciation and amortization expense | II.8 | 146.52 | 128.66 | 26.35 | 12.78 |
| | Other expenses | II.9 | 3,481.42 | 4,935.21 | 2,823.33 | 1,602.16 |
| | Total Expenses | | 4,524.16 | 5,955.24 | 3,312.91 | 2,048.73 |
| V | Profit/Loss before exceptional & extraordinary items & tax | | 225.26 | 135.38 | 48.05 | 27.85 |
| VI | Exceptional Items | | - | - | - | - |
| VII | Exceptional and extraordinary items & tax | | 225.26 | 135.38 | 48.05 | 27.85 |
| VIII | Extraordinary Items | | - | - | - | - |
| IX | Profit before tax (VII-VIII) | | 225.26 | 135.38 | 48.05 | 27.85 |
| X | Tax expense | | | | | |
| | (I) Tax expense for current year | | 61.78 | 41.05 | 15.65 | 10.16 |
| | (II) Mat Credit Entitlement | | - | - | - | - |
| | (III) Deferred tax | | 5.59 | 1.11 | 0.86 | -0.22 |
| | Total Tax Expense | | 67.37 | 42.15 | 16.51 | 9.94 |
| XI | Profit/(Loss) After Tax (IX-X) | | 157.90 | 93.22 | 31.54 | 17.92 |
| | Earning per Equity shares (of Rs 10 each) | | | | | |
| | (I) Basic & Diluted (Rs.) | II.12 | 2.93 | 1.73 | 1.21 | 0.69 |
| | (II) Annualized (Rs.) | II.12 | 2.93 | 1.73 | 1.21 | 0.69 |

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Annexure III

RESTATED CASH FLOW STATEMENTS

(Rupees in Lakhs)

| Particulars | Note No. | For the period ended 31 December, 2023 | For the period ended 31 March, 2023 | For the period ended 31 March, 2022 | For the period ended 31 March, 2021 |
|---|--------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| A) Cash Flow from Operating Activities | | | | | |
| Net profit before tax and after prior period item | | 225.26 | 135.38 | 48.05 | 27.85 |
| Adjustments for: | | | | | |
| Depreciation & Amortization | | 146.52 | 128.66 | 26.35 | 12.78 |
| Interest expense on borrowing | | 129.01 | 81.10 | 23.21 | 7.77 |
| Interest Income | | -36.28 | -29.28 | -7.26 | -5.67 |
| | | | | | |
| Operating profit before working capital changes | | 464.52 | 315.85 | 90.35 | 42.74 |
| Change in operating asset and liabilities: | | | | | |
| (Increase) / decrease in trade payable | | 3.43 | (322.55) | 112.03 | 140.93 |
| (Increase) / decrease in other current liability | | 58.12 | 78.68 | (15.74) | 27.41 |
| (Increase) / decrease in short term borrowing | | 496.19 | 713.59 | 262.93 | 216.18 |
| Increase / (decrease) in short term provisions | | 20.73 | 15.23 | 15.65 | 0.86 |
| Increase / (decrease) in trade receivables | | (170.88) | (427.60) | (142.34) | (253.30) |
| Increase / (decrease) in short term loan & advances | | (338.26) | 30.56 | (136.42) | 1.17 |
| Increase / (decrease) in Long term loan & advances | | - | - | - | 21.18 |
| Increase / (decrease) in other current assets | | (17.10) | (14.70) | (9.47) | 0.09 |
| Cash generated from operations | | 516.75 | 389.06 | 176.99 | 197.25 |
| Income taxes (paid)/ Refund Received | | (61.78) | (41.05) | (15.65) | (10.16) |
| Net cash provided / (used) by operating activities | A | 454.98 | 348.01 | 161.34 | 187.09 |
| | | | | | |
| B) Cash flows from investing activities | | | | | |
| Purchase of/ Advance of Property, Plant & equipment and Intangible assets | | (171.70) | (378.96) | (135.83) | (5.66) |
| Sale of Property, Plant & equipment | | - | - | - | 2.93 |
| Interest received | | 36.28 | 29.28 | 7.26 | 5.67 |
| Net cash provided / (used) by investing activities | B | (135.42) | (349.68) | (128.58) | 2.94 |
| | | | | | |
| C) Cash flow from Financing activities | | | | | |
| Proceeds from issue of Equity share | | - | 279.45 | - | 0.00 |
| Proceeds/ (Repayment) of Long Term borrowings | | 89.72 | 79.77 | 78.17 | (0.88) |
| Interest Paid | | (129.01) | (81.10) | (23.21) | (7.77) |
| Net Cash provided / (used) by financing activities | C | (39.28) | 278.12 | 54.96 | (8.66) |
| | | | | | |
| Net increase/Decrease in Cash and Cash equivalents | A+B+C | 280.28 | 276.45 | 87.73 | 181.37 |
| Cash equivalents at the beginning of the period | | 580.36 | 303.93 | 216.19 | 34.82 |
| Cash equivalents at the end of the period | | 860.64 | 580.36 | 303.93 | 216.19 |



GENERAL INFORMATION



Brief Information on Company and Issue


| | | | | |
|---|--|-----|----------------------|-----|
| Registered Office | P.S. Srijan Tech Park, Plot No 52, Block DN, 14th Floor, Sector V, Salt Lake, City, Parganas North, Kolkata, West Bengal, India, 700091 Tel.: +91 7667852418. Fax: N.A. E-mail: info@pranikgroup.com Website: www.pranikgroup.com | | | |
| Date of Incorporation | February 24, 2015 | | | |
| CIN | U60231WB2015PLC205412 | | | |
| Company Category | Company Limited by Shares | | | |
| Registrar of Company | Registrar of Companies, Kolkata Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata-700020, West Bengal Tel No.: 033-22877390 Email: roc.kolkata@mca.gov.in Website: www.mca.gov.in | | | |
| Company Secretary and Compliance Officer | Mr. Ayon Biswas P.S. Srijan Tech Park, Plot No 52, Block DN, 14th Floor, Sector V, Salt Lake, City, Parganas North, Kolkata, West Bengal, India, 700091 Tel: +91 7667852418; Fax: N.A. Email: ayon@pranikgroup.com | | | |
| Chief Financial Officer | Mr. Sujay Kundu P.S. Srijan Tech Park, Plot No 52, Block DN, 14th Floor, Sector V, Salt Lake, City, Parganas North, Kolkata, West Bengal, India, 700091 Tel: +91 +91 7667852418; Fax: N.A. Email: sujay@pranikgroup.com | | | |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited Address: Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400051 | | | |
| Bid/ Issue Programme | Bid/Issue Opens On: | [●] | Bid/Issue Closes On: | [●] |
| | Anchor Investor Bidding date | [●] | | |

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



DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

| Book Running Lead Manager to the Issue | Registrar to the Issue |
|---|---|
|  |  |
| Narnolia Financial Services Limited | Maashitla Securities Private Limited |
| Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India | Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi - 110034, India |
| Tel No.: +91- 8130678743 | Telephone: 011-45121795 |
| Fax No.: Not Available | Email: ipo@maashitla.com |
| Email: ipo@narnolia.com | Website: www.maashitla.com |
| Website: www.narnolia.com | Contact Person: Mr. Mukul Agrawal |
| Contact Person: Mr. Pankaj Pasi | SEBI Registration Number: INR000004370 |
| SEBI Registration No. INM000010791 | CIN: U67100DL2010PTC208725 |

| Banker to the company | Peer Review Auditor |
|--|--|
|  | |
| HDFC Bank Limited | M/s Goyal Parul & Co, Chartered Accountants |
| Address: Ranchi circular Road branch, Rohini 1 st floor, 56 circular road, Ranchi, Jharkhand- 834001 | Address: 78, J Extension, Third Floor, Near Guru Ram Dass Nagar School, Laxmi Nagar, Delhi 110092 |
| Tel No.: 9835536367 | Tel No.: 9621208866 |
| Email: kitty.jalan@hdfcbank.com | Email Id: Gauravgupta4657@gmail.com |
| Website: www.hdfcbank.com | Contact Person: Mr. Gaurav Gupta |
| Contact Person: Mr. Rajesh | Peer Review number: 015361 |
| | Firm Registration No.: 016750N |

| Legal Advisor | Statutory Auditor |
|---|---|
| Abizchancellor Law LLP | M/s Anand Rajendra & Company, Chartered Accountants |
| Address: 57A Om Vihar Phase III, Uttam Nagar, New Delhi, 110059. | Address: 22, RG Kar Road, 1 st floor Kolkata- 700004 |
| Tel No.: +91 8882017384 | Tel No.: 9874182809 |
| Email Id: adv.parvindra@gmail.com | Email Id: akj0608@gmail.com |
| Contact Person: Advocate Parvindra Nautiyal | Contact Person: Mr. Anand Kumar Jain (058247) |
| Enrollment no.: D/958/2020 | Firm Registration No.: 324092E |



DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

| S. N. | Name | DIN | Category | Designation |
|-------|--------------------------|----------|---------------|----------------------|
| 1. | Pranav Kumar Sonthalia | 06717643 | Executive | Managing Director |
| 2. | Shradha Kumari | 08257480 | Executive | Director |
| 3. | Minal Sonthalia | 10456310 | Non-Executive | Director |
| 4. | Nimisha Bhadrakumar Shah | 10149047 | Non-Executive | Independent Director |
| 5. | K G Raghuraman | 10637368 | Non-Executive | Independent Director |

For further details of our directors, please refer to the chapter titled “Our Management” beginning on page 191 of this Draft Red Herring prospectus.

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

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

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

SELF-CERTIFIED SYNDICATE BANKS

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

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

REGISTERED BROKERS

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

REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

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



COLLECTING DEPOSITORY PARTICIPANTS

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

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

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

CREDIT RATING

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

IPO GRADING

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

EXPERT OPINION

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

Our Company has received written consent dated May 28, 2024, from Peer Review Auditor namely, M/s Goyal Parul & Co., Chartered Accountants (FRN: 016750N), from the statutory auditor of the company namely M/s Anand Rajendra & Co., Chartered Accountants, dated May 30, 2024, and Legal Advisor, Abizchancellor Law LLP dated June 04, 2024, to include their name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act 2013.

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

Further, Legal Advisor, Abizchancellor Law LLP has given his legal due diligence report, as included in this Draft Red Herring Prospectus, in relation to the Outstanding Litigations and Material Developments dated June 15, 2024.

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



DEBENTURE TRUSTEE

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

APPRAISAL AND MONITORING AGENCY

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

BOOK BUILDING PROCESS

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

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

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

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

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

For further details, please refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 334 and 295, respectively of this Draft Red Herring Prospectus.



ILLUSTRATION OF BOOK BUILDING PROCESS AND THE PRICE DISCOVERY PROCESS

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “Issue Procedure” on page 295 of this Draft Red Herring Prospectus.

UNDERWRITING AGREEMENT

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

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

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

FILING OF PROSPECTUS

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

CHANGE IN THE AUDITOR DURING LAST 3 YEAR

There has been no change in the statutory auditors of the company during the last three years preceding the date of this Draft Red Herring Prospectus.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after



the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE Emerge on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

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

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

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

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange



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

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

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

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

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

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

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



CAPITAL STRUCTURE

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

(Rs. In Lakhs)

| S. No. | Particulars | Aggregate Nominal value | Aggregate value at offer price |
|------------|---|-------------------------|--------------------------------|
| A. | Authorized Share Capital | | |
| | 1,30,00,000 Equity Shares of Rs.10/- each | 1,300.00 | - |
| B. | Issued, Subscribed and Paid-Up Share Capital before the Issue | | |
| | 80,91,750 Equity Shares of Rs.10/- each | 809.17 | - |
| C. | Present Issue in terms of the Draft Red Herring Prospectus | | |
| | Issue of 29,18,400 Equity Shares of face value of Rs.10/- each at a premium of Rs. [●] /- per share | 291.84 | [●] |
| | <i>of which:</i> | | |
| (I) | Reservation for Market Maker- 1,61,600 Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share reserved as Market Maker Portion. | 16.16 | [●] |
| (II) | Net Issue to the Public 27,56,800 Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share. | 275.68 | [●] |
| | <i>Of the Net Issue to the Public</i> | | |
| I | Allocation to Qualified Institutional Buyer – [●] Equity Shares of Rs.10/- each at a price of Rs. [●] per Equity Share. | | |
| II | Allocation to Retail Individual Investors – [●] Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share shall be available for allocation for Investors applying for a value of up to Rs.2.00 Lakhs. | [●] | [●] |
| III | Allocation to Non – institutional Investors – [●] Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share shall be available for allocation for Investors applying for a value of above Rs.2.00 Lakhs. | [●] | [●] |
| D. | Issued, Subscribed and Paid-up Share Capital after the Issue | | |
| | 1,10,10,150 Equity Shares of Rs. 10/- each | 1,101.01 | |
| E. | Securities Premium Account | | |
| | Before the Issue | | Nil |
| | After the Issue | | [●] |

The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on May 23, 2024, and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at the EGM of our shareholders held on May 25, 2024.

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



NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorized Share Capital:

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

| S. N. | Date | No. of Shares | Face Value (in Rs.) | Cumulative No. of Shares | Cumulative Authorized Share Capital (in Rs.) | Whether AGM/EGM |
|--|--------------------|---------------|---------------------|--------------------------|--|-----------------|
| 1. | On Incorporation* | 10,000 | 100 | 10,000 | 10,00,000 | N.A. |
| <i>The Authorized Equity share capital of the company is Sub-divided from Rs. 100/- per equity share to Rs. 10/- per equity share by a resolution passed by the shareholders of the company in the General meeting dated September 30, 2016**.</i> | | | | | | |
| 2. | After Sub-division | 1,00,000 | 10 | 1,00,000 | 10,00,000 | EGM |
| 3. | 06-03-2019 | 19,00,000 | 10 | 20,00,000 | 2,00,00,000 | EGM |
| 4. | 21-03-2020 | 10,00,000 | 10 | 30,00,000 | 3,00,00,000 | EGM |
| 5. | 24-02-2023 | 25,00,000 | 10 | 55,00,000 | 5,50,00,000 | EGM |
| 6. | 16-05-2024 | 75,00,000 | 10 | 1,30,00,000 | 13,00,00,000 | EGM |

*The company has been incorporated on February 24, 2015.

**The form SH-7 for subdivision of share capital cannot be found in the records of ROC as well as of the company. Kindly refer to the risk factor number 28 on page 40 of this Draft Red Herring Prospectus.

Note: Certain discrepancies have been identified in some forms filed to the Registrar of Companies (ROC) through the Ministry of Corporate Affairs (MCA) portal since the inception of the company. A search report has been obtained from Mr. Dalia Sharma a practicing Company Secretary, having COP Number 27291, dated June 15, 2024.

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

| S. N. | Date Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid-up Capital (Rs.) | Cumulative Securities premium (Rs.) |
|--|--------------------|-------------------------------|------------------|-------------------|-------------------------|---|------------------------------------|----------------------------------|-------------------------------------|
| 1. | On Incorporation | 10,000 | 100 | 100 | Cash | Subscription to MOA ⁽¹⁾ | 10,000 | 10,00,000 | N.A. |
| <i>The Equity share capital of the company is Sub-divided from Rs. 100/- per equity share to Rs. 10/- per equity share by a resolution passed by the shareholders of the company in a General meeting dated September 30, 2016*.</i> | | | | | | | | | |
| 2. | After Sub-division | 1,00,000 | 10 | 10 | Other than Cash | Subdivision ⁽²⁾ | 1,00,000 | 10,00,000 | N.A. |
| 3. | 31-03-2020 | 19,00,000 | 10 | 10 | Cash | Conversion of Loan into Equity ⁽³⁾ | 20,00,000 | 2,00,00,000 | N.A. |
| 4. | 31-03-2020 | 6,00,000 | 10 | 10 | Cash | Conversion of Loan into Equity ⁽⁴⁾ | 26,00,000 | 2,60,00,000 | N.A. |



| | | | | | | | | | |
|----|------------|-----------|----|----|-----------------|---|-----------|-------------|------|
| 5. | 28-03-2023 | 27,94,500 | 10 | 10 | Cash | Conversion of Loan into Equity ⁽⁵⁾ | 53,94,500 | 5,39,45,000 | N.A. |
| 6. | 23-05-2024 | 26,97,250 | 10 | NA | Other than Cash | Bonus Issue ⁽⁶⁾ | 80,91,750 | 8,09,17,500 | N.A. |

**The form SH-7 for subdivision of share capital cannot be found in the records of ROC as well as of the company. Kindly refer to risk factor number 28 on page 40 of this Draft Red Herring Prospectus.*

Note: *Certain discrepancies have been identified in some forms filed to the Registrar of Companies (ROC) through the Ministry of Corporate Affairs (MCA) portal since the inception of the company. A search report has been obtained from Mr. Dalia Sharma, a practicing Company Secretary, having COP Number 27291, dated June15, 2024.*

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Note:

1. Initial Subscribers to Memorandum of Association hold 10,000 Equity Shares each of face value of Rs. 100/- fully paid up as per the details given below:

| S. N. | Name of Person | No. of Shares Allotted |
|-------|------------------------|------------------------|
| 1. | Pranav Kumar Sonthalia | 8,000 |
| 2. | Priti Sonthalia | 2,000 |
| | Total | 10,000 |

2. The Company thereafter Subdivision of 10,000 Equity shares of ₹ 100/- each to 1,00,000 Equity shares of Rs. 10/- each on September 30, 2016, as per details given below:

| S. N. | Name | No. of Shares Issued |
|-------|------------------------|----------------------|
| 1. | Pranav Kumar Sonthalia | 80,000 |
| 2. | Anup Kumar Sonthalia | 20,000 |
| | Total | 1,00,000 |

3. The Company thereafter issued 19,00,000 Equity shares of ₹ 10/- each on March 31, 2020, for cash consideration due to conversion of loan, mentioned in detail below:

| S. N. | Name of Person | No. of Shares Allotted |
|-------|------------------------|------------------------|
| 1. | Pranav Kumar Sonthalia | 19,00,000 |
| | Total | 19,00,000 |

4. The Company thereafter issued 6,00,000 Equity shares of ₹ 10/- each on March 31, 2020, for cash consideration due to conversion of loan, mentioned in detail below:

| S. N. | Name | No. of Shares Issued |
|-------|------------------------|----------------------|
| 1. | Pranav Kumar Sonthalia | 6,00,000 |
| | Total | 6,00,000 |

5. The Company thereafter issued 27,94,500 Equity shares of ₹ 10/- each on March 28, 2023, for cash consideration due to conversion of loan, mentioned in detail below:

| S. N. | Name | No. of Shares Issued |
|-------|------------------------|----------------------|
| 1. | Pranav Kumar Sonthalia | 27,20,000 |
| 2. | Shradha Kumari | 74,500 |
| | Total | 27,94,500 |

6. The Company thereafter issued 26,97,250 Equity shares of ₹ 10/- each on May 23, 2024, for consideration other than cash due to issue of bonus shares, mentioned in detail below:

| S. N. | Name | No. of Shares Issued |
|-------|------------------------|----------------------|
| 1. | Pranav Kumar Sonthalia | 26,49,750 |
| 2. | Shradha Kumari | 47,250 |
| 3. | Minal Sonthalia | 50 |
| 4. | Avinash Saigal | 50 |



| | | |
|----|--------------------|------------------|
| 5. | Abhijit Majumdar | 50 |
| 6. | Anand Arun Khaitan | 50 |
| 7. | Rakesh Kumar | 50 |
| | Total | 26,97,250 |

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3. Shareholding of the Promoters of our Company

As on the date of this Draft Red Herring Prospectus, our Promoter – Mr. Pranav Kumar Sonthalia, Ms. Shradha Kumari and Ms. Minal Sonthalia, holds total 80,91,150 Equity Shares, representing 99.99% of the pre-issue paid up share capital of our Company, respectively.

Details of build-up of shareholding of the Promoters

| Date of Allotment / acquisition / transaction and when made fully paid up | Nature (Allotment/ transfer) | Number of Equity Shares | Face Value per Equity Share (inRs.) | Issue/ Transfer price per Equity Share (in Rs.) | Consideration (cash/ other than cash) | Name of Transferor / Transferee | % of pre issue capital of Cumulative Shares |
|---|-------------------------------------|-------------------------|-------------------------------------|---|---------------------------------------|---------------------------------|---|
| Mr. Pranav Kumar Sonthalia | | | | | | | |
| Incorporation | Subscriber to MOA | 8,000 | 100 | 100 | Cash | N.A. | 0.99% |
| 30-09-2016 | Subdivision of equity shares | 80,000 | 10 | 10 | Other than Cash | N.A. | 23.48% |
| 31-03-2020 | Conversion of Loan | 19,00,000 | 10 | 10 | Cash | N.A. | 7.41% |
| 31-03-2020 | Conversion of Loan | 6,00,000 | 10 | 10 | Cash | N.A. | 33.61% |
| 28-03-2023 | Conversion of Loan | 27,20,000 | 10 | 10 | Cash | N. A | (0.00%) |
| 09-01-2024 | Transfer | (100) | 10 | 10 | Cash | Minal Sonthalia | (0.00%) |
| 09-01-2024 | Transfer | (100) | 10 | 10 | Cash | Avinash Saigal | (0.00%) |
| 09-01-2024 | Transfer | (100) | 10 | 10 | Cash | Abhijit Majumdar | (0.00%) |
| 09-01-2024 | Transfer | (100) | 10 | 10 | Cash | Anand Arun Khaitan | (0.00%) |
| 09-01-2024 | Transfer | (100) | 10 | 10 | Cash | Rakesh Kumar | 32.75% |
| 23-05-2024 | Bonus issue | 26,49,750 | 10 | N.A. | Other than Cash | N.A. | 0.00% |
| | Total | 79,49,250 | | | | | 98.24% |
| Ms. Shradha Kumari | | | | | | | |
| 31-10-2018 | Transfer | 20,000 | 10 | 10 | Cash | Anup Kumar Sonthalia | 0.25% |
| 28-03-2023 | Conversion of Loan | 74,500 | 10 | 10 | Cash | N.A. | 0.92% |
| 23-05-2024 | Bonus issue | 47,250 | 10 | N.A. | Other than Cash | N.A. | 0.58% |
| | Total | 141,750 | | | | | 1.75% |
| Ms. Minal Sonthalia | | | | | | | |
| 09-01-2024 | Transfer | 100 | 10 | 10 | Cash | Pranav Kumar Sonthalia | 0.00% |
| 23-05-2024 | Bonus issue | 50 | 10 | N.A. | Other than Cash | N.A. | 0.00% |
| | Total | 150 | | | | | 0.00% |

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



4. Our shareholding pattern.

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

| Category Code | Category of shareholder | No. Of share holder | No. of fully paid up equity Shares Held | No. of Partly paid up equity shares held | No. of underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (unrealized as per SCR R, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities* | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form |
|---------------|--------------------------------|---------------------|---|--|---------------------------------------|------------------------|---|---|----------|------------------|-------------------------|--|---|----------------------------|---------------------------------|--|---------------------------------|--|
| | | | | | | | | No. of Voting Rights | | | Total as a % of (A+B+C) | | | No.(a) | As a % of total shares held (B) | No. (a) | As a % of total shares held (B) | |
| | | | | | | | | Class X | Class Y | Total | | | | | | | | |
| I | II | III | IV | V | VI | VII= IV+V+VI | VIII | IX | | | | X | XI=VII+X | XII | | XIII | | XIV |
| (A) | Promoters and Promoter Group | 3 | 80,91,150 | - | - | 80,91,150 | 99.99% | 80,91,150 | - | 80,91,150 | 80,91,150 | - | 99.99% | - | - | - | - | 80,91,150 |
| (B) | Public | 4 | 600 | - | - | 600 | Negligible | 600 | - | 600 | 600 | - | Negligible | - | - | - | - | 600 |
| (C) | Non Promoter-Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 7 | 80,91,750 | - | - | 80,91,750 | 100% | 80,91,750 | - | 80,91,750 | 80,91,750 | - | 100% | - | - | - | - | 80,91,750 |

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



I. Shareholding Pattern of Promoters and Promoter Group

| # | Category & name of shareholder (I) | PAN (II) | No. of shareholders (III) | No. of fully paid up equity shares held (IV) | No. of Partly paid up equity shares held (V) | No. of Depository shares held (VI) | Total nos. shares held (VII) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII) | Number of Voting Rights held in each class of securities (IX) | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) (XI)=(VII)+(X) | Number of locked in Shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of shares held in dematerialized form (XIV) | |
|--|------------------------------------|----------|---------------------------|--|--|------------------------------------|------------------------------|---|---|-----------|------------------------------|--|--|----------------------------------|---------------------------------|---|---------------------------------|--|-----------|
| | | | | | | | | | No. of Voting Rights | | Total as a % of (A+B+C) (A+) | | | No. (a) | As a % of total shares held (B) | No. (a) | As a % of total shares held (B) | | |
| | | | | | | | | | Class : X | Class : Y | | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII)+(V)+(VI) | (VIII) | (IX) | | | (X) | (XI)=(VII)+(X) | (XII) | | (XIII) | | (XIV) | |
| (1) Indian | | | | | | | | | | | | | | | | | | - | |
| (a) Individual/HUF | | | 3 | | | | | | | | | | | | | | | | |
| 1 | Pranav Kumar Sonthalia | - | 1 | 79,49,250 | - | - | 79,49,250 | 98.24% | 79,49,250 | - | 79,49,250 | 79,49,250 | - | 98.24% | - | - | - | - | 79,49,250 |
| 2 | Shradha Kumari | - | 1 | 1,41,750 | - | - | 1,41,750 | 1.75% | 1,41,750 | - | 1,41,750 | 1,41,750 | - | 1.75% | - | - | - | - | 1,41,750 |
| 3 | Minal Sonthalia | - | 1 | 150 | - | - | 150 | Negligible | 150 | - | 150 | 150 | - | Negligible | - | - | - | - | 150 |
| (b) Cen. Govt./ State Government(s) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) Financial Institutions/Banks | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) Any other (Body Corporate) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sub- total (A) (1) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) Foreign | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) Individual (NRI/ Foreign Individual) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) Government | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 1 Institutions | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) Foreign Portfolio Investor | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (f) Any Other (specify) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sub- Total(A) (2) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoters and Promoter Group (A)=(A)(1) +(A)(2) | | | 3 | 80,91,150 | - | - | 80,91,150 | 99.99% | 80,91,150 | - | 80,91,150 | 80,91,150 | - | 99.99% | - | - | - | - | 80,91,150 |

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II. Shareholding Pattern of the Public shareholder

| # | Category & name of shareholder | P A N | No. of shareholders | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held (VII) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form | |
|-----|--|-------|---------------------|---|--|--|------------------------------|--|--|-----------|------------|--|--|----------------------------|---------|--|---------|--|---------------------------------|
| | | | | | | | | | No. of Voting Rights | | | | | Total as a % of (A+B+C) | No. (a) | As a % of total shares held (B) | No. (a) | | As a % of total shares held (B) |
| | | | | | | | | | Class : X | Class : Y | Total | | | | | | | | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (IV)+(V)+(VI) | (VIII) | (IX) | | | (X) | (XI)=(V/II)+(X) | (XII) | | (XIII) | | (XIV) | | |
| (1) | Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (a) | Mutual Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (b) | Venture Capital Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (c) | Alternate Investment Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (d) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (e) | Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (f) | Financial Institutions/ Banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (g) | Insurance Companies | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (h) | Provident Funds/ Pension Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (i) | Any other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Sub-Total (B)(1) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (2) | Central Government/State Government (s)/ President of India | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Sub-Total (B) (2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (3) | Non- Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Individuals- | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (a) | i. Individual shareholders holding nominal share capital up to Rs. 2 lakh. | - | 4 | 600 | - | - | 600 | Negligible | 600 | - | 600 | 600 | - | Negligible | - | - | - | - | 600 |
| | ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakh | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) | NBFCs registered with RBI | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Overseas Depositories (holding DRs) (balancing figure) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (B)(3) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3) | - | 4 | 600 | - | - | 600 | Negligible | 600 | - | 600 | 600 | - | Negligible | - | - | - | - | 600 |



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

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

Note:

- In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. As on the date of this Draft Red Herring Prospectus, all the equity shares has been in the dematerialized form except some public shareholders holding 0.01% of the total shareholding.
- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.

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

| S. No. | Name of shareholder | Pre issue | | Post issue | |
|----------------------------|------------------------|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity Shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1. | Pranav Kumar Sonthalia | 79,49,250 | 98.24% | 79,49,250 | 72.20% |
| 2. | Shradha Kumari | 1,41,750 | 1.75% | 1,41,750 | 1.29% |
| 3. | Minal Sonthalia | 150 | Negligible | 150 | Negligible |
| Total – A | | 80,91,150 | 99.99% | 80,91,150 | 73.49% |
| Promoter Group | | | | | |
| <i>NIL</i> | | | | | |
| Public | | | | | |
| 4. | Public | 600 | Negligible | 600 | Negligible |
| 5. | IPO | - | - | 29,18,400 | 26.51% |
| Total-C | | 600 | Negligible | 29,19,000 | 26.51% |
| Grand Total (A+B+C) | | 80,91,750 | 100.00% | 1,10,10,150 | 100.00% |

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|------------------------|--------------------|--------------------------------------|
| Pranav Kumar Sonthalia | 79,49,250 | 6.67 |
| Shradha Kumari | 1,41,750 | 6.67 |
| Minal Sonthalia | 150 | 6.67 |

As certified by M/s Goyal Parul & Co., chartered accountants, dated June 12, 2024.

8. Details of Major Shareholders:

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

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid-up Capital** |
|--------|------------------------|----------------------------|------------------------|
| 1. | Pranav Kumar Sonthalia | 79,49,250 | 98.24% |
| 2. | Shradha Kumari | 1,41,750 | 1.75% |
| | Total | 80,91,000 | 99.99% |

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



| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid-up Capital** |
|--------|------------------------|----------------------------|------------------------|
| 1. | Pranav Kumar Sonthalia | 79,49,250 | 98.24% |
| 2. | Shradha Kumari | 1,41,750 | 1.75% |
| | Total | 80,91,000 | 99.99% |

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

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid-up Capital** |
|--------|------------------------|----------------------------|------------------------|
| 1. | Pranav Kumar Sonthalia | 53,00,000 | 98.22% |
| 2. | Shradha Kumari | 94,500 | 1.78% |
| | Total | 53,94,500 | 100.00% |

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

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid-up Capital** |
|--------|------------------------|----------------------------|------------------------|
| 1. | Pranav Kumar Sonthalia | 25,80,000 | 99.23% |
| 2. | Shradha Kumari | 20,000 | 0.77% |
| | Total | 26,00,000 | 100.00% |

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

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

9. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
10. Except as disclosed in this Draft Red Herring Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of spilt/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
11. We have seven (7) shareholders as on the date of filing of this Draft Red Herring Prospectus.
12. As on the date of this Draft Red Herring Prospectus, our Promoters and Promoters' Group holds a total of 80,91,150 Equity Shares representing 99,99% of the pre-issue paid up share capital of our Company.
13. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the



Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Draft Red Herring Prospectus.

14. The members of the Promoters Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Draft Red Herring Prospectus.

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

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

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

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

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

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

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

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

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

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



| | | | | | | | |
|-----------------|-----|-----|-----|-----|-----|-----|-----|
| Sonthalia | | | | | | | |
| Shradha Kumari | [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| Minal Sonthalia | [●] | [●] | [●] | [●] | [●] | [●] | [●] |

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

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

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

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

Equity Shares locked-in for one year.

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

Pledge of Locked in Equity Shares:

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

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



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

Transferability of Locked in Equity Shares:

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

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

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

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

| S. No. | Name of Allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment | Benefit occurred to Issuer |
|--------------|------------------------|------------------------|------------------|-------------------|-------------------|----------------------|----------------------------|
| 1. | Pranav Kumar Sonthalia | 26,49,750 | 10 | N.A. | 23-05-2024 | Bonus Issue | Capitalization of Reserve |
| 2. | Shradha Kumari | 47,250 | 10 | N.A. | 23-05-2024 | | |
| 3. | Minal Sonthalia | 50 | 10 | N.A. | 23-05-2024 | | |
| 4. | Avinash Saigal | 50 | 10 | N.A. | 23-05-2024 | | |
| 5. | Abhijit Majumdar | 50 | 10 | N.A. | 23-05-2024 | | |
| 6. | Anand Arun Khaitan | 50 | 10 | N.A. | 23-05-2024 | | |
| 7. | Rakesh Kumar | 50 | 10 | N.A. | 23-05-2024 | | |
| Total | | 26,97,250 | | | | | |

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

19. Our Company has re-valued one of its assets in the year 2018. However, the company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves. For more details, please refer to the chapter "financial statements as restated" on page 219 of this Draft Red Herring Prospectus.

20. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option



Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

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



time.

35. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this Draft Red Herring Prospectus, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
36. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
37. Our Promoters and the members of our Promoter Group will not participate in this Issue.
38. Our Company has not made any public issue since its incorporation.
39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
40. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended December 31, 2023, and financial years ended on March 31, 2023, March 31, 2022 & March 31, 2021, Fiscals, please refer to paragraph titled *-Related Party Transaction* in the chapter titled *"Financial Information"* beginning on page number 247 of this Draft Red Herring Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *"Our Management"* beginning on page number 191 of this Draft Red Herring Prospectus.

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OBJECTS OF THE ISSUE

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

The objects of the Issue are:-

1. To meet out the expenses for Investment in technology
2. To meet out the Capital Expenditure Requirement of Company;
3. To meet out the Working Capital requirements of the Company;
4. To meet out the General Corporate Purposes; and
5. To meet out the Issue Expenses.

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

REQUIREMENT OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ [●] lakhs (the "Net Issue Proceeds").

The following table summarizes the requirement of funds:

| S. No. | Particulars | Rupees in Lakhs |
|--------|--------------------------------|-----------------|
| 1. | Gross Issue Proceeds | [●]* |
| 2. | Less: Issue Related Expenses** | [●]* |
| | Net proceeds | [●]* |

*Subject to finalization of basis of allotment.

**As per the certificate given by M/s Goyal Parul & Co., Chartered Accountant, dated May 25, 2024, the Company has incurred as sum of Rs. 1.00 Lakhs towards issue expenses as on May 25, 2024.

UTILISATION OF FUNDS:

Fund Requirements

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

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

| S. N. | Particulars | Amount (Rupees in Lakh) | % of Gross Proceeds | % of Net Proceeds |
|-------|-------------|----------------------------|------------------------|----------------------|
|-------|-------------|----------------------------|------------------------|----------------------|



| | | | | |
|----|------------------------------|----------|-----|-----|
| 1. | Investment in Technology/ERP | 80.00 | [●] | [●] |
| 2. | Capital Expenditure | 220.00 | [●] | [●] |
| 3. | Working Capital Requirement | 1,200.00 | [●] | [●] |
| 4. | General Corporate Purposes** | [●] | [●] | [●] |
| | Total | [●] | [●] | [●] |

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

Note: Any Additional cost will be borne by the company through internal accruals.

The objects detailed above are intended to be funded from the proceeds of the Issue while any remaining funding needs will be met through the company's internal accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

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

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

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

Details of Utilization of Issue Proceeds

1. Investment in Technology

Our company intends to deploy Net Proceeds aggregating to Rs. 80.00 Lakhs for Development of technology and ERP. Further we confirm that we are in compliance with Regulation 230(3), of SEBI (ICDR) Regulations, 2018.

Development of “Logistics Management App”.

Our company currently provides Carrying and Forwarding (C&F) services to our clients like transportation and warehousing and other related services. For providing these services we use the technology that are provided by our clients. In order to have a common technology for the organization that is in sync with all locations and manpower, we're in the process of creating our own logistics management application in form of ERP.



The objective of this application is to manage orders, vehicles inventory and stock, Attendance management of employees, expenses management, Customer Relationship Management, Reporting and Analytics, Financial Reporting etc.

The “*logistics management app*” will offer the following services:

Order Management: The app facilitates the creation of orders with comprehensive details such as pickup/delivery locations, items, and quantities. It enables the tracking of order status in real-time, providing customers with timely updates via SMS/email notifications. Orders can be efficiently assigned to available drivers or vehicles and dispatched based on priority, proximity, or other criteria. Additionally, the system allows for the printing of order invoices and implements an automated notification system for order updates, ensuring seamless management of the order lifecycle.

Vehicle Management: Within the app, our company can record detailed information about vehicles, including model, registration number, and capacity, while also uploading essential documents. Maintenance activities such as servicing, repairs, and inspections can be scheduled and tracked, with reminders for upcoming tasks. Integration with GPS and Fasttag APIs enables real-time tracking of vehicle location and automatic toll payments. The system also facilitates the capture of loading/unloading images and manages trip start/closure processes efficiently.

Inventory and Stock Management: The app offers comprehensive inventory and stock management capabilities, allowing our company to monitor stock levels and set minimum thresholds for automatic reorder alerts. It seamlessly integrates with purchase order systems for streamlined inbound management, including receiving, verifying, and conducting quality inspections of incoming shipments. Barcode/RFID integration enables real-time tracking and identification of goods, while advanced features such as dock scheduling optimize warehouse operations. Additionally, the system includes modules for damage reporting, supplier management, and outbound order processing.

Return Management: To streamline the handling of returned goods, the app provides functionalities for return processing and repackaging. It manages return authorization processes efficiently and handles warranty claims separately. Reverse logistics reporting capabilities generate insights into return rates, reasons, and processing times, facilitating effective management of returned items.

Inventory Control: The app ensures accurate inventory tracking through real-time monitoring using barcode or RFID technology. Regular cycle counting activities are conducted to maintain inventory accuracy, with automatic calculations and suggestions for reorder points based on demand patterns. Inventory items are classified into categories (A, B, C) based on importance and turnover rates, while features such as expiry date management minimize waste and ensure product quality.

Expense and attendance of employees Management: Expense recording will be streamlined through the app, allowing users to categorize expenses such as fuel, maintenance, and tolls. Integration with fuel card APIs simplifies fuel expense tracking, while approval workflows define processes for expense claims, including multiple levels of approval if required.

Customer Relationship Management (CRM): The CRM functionalities enable efficient management of customer contacts, preferences, and order history, facilitating personalized service delivery.



Reporting and Analytics: The app generates customizable reports on various aspects such as vehicle performance, fuel consumption, expenses, and revenue.

Communication and Notifications: Integration with SMS gateways enable seamless communication with customers, providing order updates and alerts in a timely manner.

The company will not be developing the app internally. Instead, the development of “Logistics Management App” will be outsourced to a third party. Quotations for the app's development are provided as follows:

(Rupees in Lakhs)

| S. No. | Platform | Total Timeline | Date of Quotation | Total Cost |
|---|---|----------------|-------------------|------------|
| Vendor Name: Techstern Solutions | | | | |
| 01. | Development of the Web Application/ Mobile APP(Android/iOS) (Including Testing of the application) | 6-7 Months | 27-05-2024 | 80.00 |
| | TOTAL | | | 80.00 |

Note: 1. The amounts exclude GST and other taxes.

2. The quotation is valid for 6 months from the date of the proposal i.e., 27-05-2024.

3. Any Additional cost including server cost will be borne by the company through internal accruals.

(Rupees in Lakhs)

| S. No. | Platform | Total Timeline | Date of Quotation | Total Cost |
|---|---|----------------|-------------------|------------|
| Vendor Name: Matiyas Solutions LLP | | | | |
| 01. | Development of the Web Application/ Mobile APP(Android/iOS) (Including Testing of the application) | 48 Weeks | 12-06-2024 | 125.00 |
| | TOTAL | | | 125.00 |

Note: 1. The amounts exclude GST and other taxes.

2. The quotation is valid for a period of 6 months from the date of quotation i.e., 12-06-2024.

3. Any Additional cost including server cost will be borne by the company through internal accruals.

2. Capital Expenditure

Our company intends to deploy Net Proceeds aggregating to Rs. 220.00 Lakh for capital expenditure for setting up of warehouses.

We propose to set up and establish a warehousing unit to be located in Ahmedabad to ensure efficient and timely distribution of goods, enhanced customer satisfaction, and improved supply chain management in that region. The company has already taken the property on a leasehold basis.

We hereby confirm that confirms that we will not purchase any second-hand machinery or goods for setting up warehouse.



Setting up warehouses involves implementing various systems and equipment to effectively manage and organize inventory. This includes:

- **Racking Systems:** Install shelving and racking systems to maximize vertical storage space and organize inventory efficiently. Different types of racking systems, such as selective racks, drive-in racks, and pallet flow racks, may be used based on the nature of the inventory and space available.
- **Lean System Implementation:** Implement lean principles to streamline warehouse operations, reduce waste, and optimize processes.
- **Material Handling Equipment:** Invest in material handling equipment such as hydraulic trucks, forklifts, pallet jacks, and conveyors to facilitate the movement and transportation of goods within the warehouse. Choosing the right equipment ensures safe and efficient handling of inventory, loading, and unloading processes.

Our company has received two quotations for capital expenditure. The details of quotations from two different vendors are given below. However, the most suitable quotation will be taken from any of the following vendors:

| S. No. | Name of vendor | Amount in Rupees ⁽¹⁾ |
|--------------------------------------|--------------------------|---------------------------------|
| 1 | Maini Materials Movement | 2,37,30,830.00 |
| 2 | Anil Engineering | 2,84,76,996.00 |
| Utilization from IPO Proceeds | | 2,20,00,000.00 |
| <i>Internal Accruals</i> | | <i>Balance</i> |

Note: 1. The amounts exclude GST and other taxes.

2. Any Additional cost will be borne by the company through internal accruals.

The detailed specifications quotation from the above are given below:

| S. No. | Description of goods | Date of Quotation | Quantity in number | Rate per unit | Total (in Rupees) |
|--|---|-------------------|--------------------|---------------|-------------------|
| Vendor Name: Maini Materials Movement | | | | | |
| 1. | MHE, SP-20 STD, FW-520MM, FL- 1150MM, SH-90MM, LH-200MM | 28-05-2024 | 6 | 3,75,000 | 22,50,000.00 |
| 2. | Lead Acid Charger - 24V/50A | | 6 | 40,000 | 2,40,000.00 |
| 3. | Pallet Truck Electric PTE15,1500KG,550X1150MM with battery charger 24V/20AH | | 25 | 1,28,205 | 32,05,125.00 |
| 4. | Battery PTE15 | | 25 | 15,750 | 3,93,750.00 |
| 5. | ST-15 WC FFTL STD, FW-685MM, FL-1150MM, LH-6300MM, SH- 3055MM | | 9 | 7,15,995 | 64,43,955.00 |
| 6. | Charger 24 V, 40 A | | 9 | 40,000 | 3,60,000.00 |
| 7. | Hydraulic Pallet Truck PV20 | | 4 | 1,38,500 | 5,54,000.00 |



| | | | | | |
|--------------|--|--|---|-----------|----------------|
| | EWS -1150*540 NW | | | | |
| 8. | CQD20-D Electric Reach Truck Lift Height of 11100MM, CAP.2000KG, Multi- Alve, In motion Controller AC Motor With EPS, with battery 48V/500AH and charger Along with Side shift, with Camera USD 18727 - qty - 01 unit. | | 4 | 25,71,000 | 1,02,84,000.00 |
| TOTAL | | | | | 2,37,30,830.00 |

Note: 1. The amounts exclude GST and other taxes.

2. The quotation is valid for 6 months from the date of the proposal i.e., 28-05-2024

3. Any Additional cost will be borne by the company through internal accruals.

| S. No. | Description of goods | Date of Quotation | Quantity in number | Rate per unit | Total (in Rupees) |
|--------------------------------------|--|-------------------|--------------------|---------------|-------------------|
| Vendor Name: Anil Engineering | | | | | |
| 1. | MHE, SP-20 STD, FW-520MM, FL- 1150MM, SH-90MM, LH-200MM | 12-06-2024 | 6 | 4,50,000.00 | 27,00,000.00 |
| 2. | Lead Acid Charger - 24V/50A | | 6 | 48,000.00 | 2,88,000.00 |
| 3. | Pallet Truck Electric PTE15,1500KG,550X1150MM with battery charger 24V/20AH | | 25 | 1,53,846.00 | 38,46,150.00 |
| 4. | Battery PTE15 | | 25 | 18,900.00 | 4,72,500.00 |
| 5. | ST-15 WC FFTL STD, FW-685MM, FL- 1150MM, LH-6300MM, SH-3055MM | | 9 | 8,59,194.00 | 77,32,746.00 |
| 6. | Charger 24 V, 40 A | | 9 | 48,000.00 | 4,32,000.00 |
| 7. | Hydraulic Pallet Truck PV20 EWS -1150*540 NW | | 4 | 1,66,200.00 | 6,64,800.00 |
| 8. | CQD20-D Electric Reach truck lift height of 11100MM, CAP.2000KG, multi- valve, inmotion controller AC motor with EPS, with battery 48V/500AH and charger along with sideshift, with camera USD 18727 - QTY - 01 unit | | 4 | 30,85,200.00 | 1,23,40,800.00 |
| TOTAL | | | | | 2,84,76,996.00 |

Note: 1. The amounts exclude GST and other taxes.

2. The quotation is valid for 6 months from the date of the proposal i.e., 12-06-2024

3. Any Additional cost will be borne by the company through internal accruals.

3. Working Capital Requirements:

Our Company proposes to utilise Rs. 1,200.00 Lakhs towards funding its working capital requirements in the ordinary course of business. We have significant working capital requirements, and in the ordinary course of



business, we fund our working capital needs through internal accruals. Our Company, in order to support its incremental business requirements, funding growth opportunities and for other strategic, business, and corporate purposes requires additional working capital and such funding is expected to lead to a consequent increase in our revenues and profitability.

Basis of Estimation

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

(Rupees in Lakhs)

| Particulars | March 31, 2021 | March 31, 2022 | March 31, 2023 | Stub December 30, 2023 | March 31, 2024 | March 31, 2025 |
|------------------------------|-------------------|-------------------|-------------------|------------------------------|-------------------|-------------------|
| | (A) | (A) | (A) | (A) | (E) | (P) |
| Current Assets | | | | | | |
| Inventory | - | - | - | - | - | - |
| Trade Receivables | 516.19 | 658.53 | 1,086.13 | 1,257.01 | 1,399.13 | 1,795.24 |
| Other Current Assets | 81.72 | 227.62 | 211.76 | 567.13 | 530.58 | 603.53 |
| Cash & Cash Equivalent | 216.19 | 303.93 | 580.36 | 860.64 | 707.51 | 752.07 |
| Total | 814.11 | 1,190.07 | 1,878.26 | 2,684.77 | 2,637.21 | 3,150.84 |
| Current Liabilities | | | | | | |
| Trade Payables | 255.54 | 367.58 | 45.02 | 48.45 | 63.96 | 82.68 |
| Other Current Liabilities | 85.01 | 69.27 | 147.95 | 206.07 | 198.97 | 258.66 |
| Short Term Provisions | 10.16 | 25.81 | 41.05 | 61.78 | 154.07 | 244.77 |
| Total | 350.71 | 462.65 | 234.01 | 316.30 | 416.99 | 586.10 |
| WC Requirement | 463.39 | 727.42 | 1,644.24 | 2,368.47 | 2,220.22 | 2,564.74 |
| Short Term Borrowings | 216.18 | 398.42 | 879.69 | 1,414.58 | 1,132.87 | 960.75 |
| Internal Accruals** | 247.21 | 328.99 | 764.56 | 953.89 | 1,087.35 | 403.99 |
| IPO Proceeds | - | - | - | - | - | 1,200.00 |

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

Basis of Estimation and Key Assumptions for working capital projections made by Company:

(No. of days)

| Particulars | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub December 30, 2023 (A) | March 31, 2024 (E) | March 31, 2025 (P) |
|--------------------------|-----------------------|-----------------------|-----------------------|----------------------------------|-----------------------|-----------------------|
| Inventory Days | - | - | - | - | - | - |
| Trade Receivables | 91 | 72 | 65 | 74 | 77 | 76 |



| | | | | | | |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Days | | | | | | |
| Trade Payables Days | 46 | 41 | 3 | 3 | 4 | 4 |
| Working Capital Days | 45 | 31 | 63 | 70 | 73 | 72 |

The total working capital requirements for the FY 2020-21 & FY 2021-22 was Rs. 463.39 Lakhs & Rs. 727.42 lakhs respectively. The requirement was completed from short term borrowing amounted to Rs. 216.18 lakhs and Rs. 398.42 lakhs in the FY 2021 and FY 2022 respectively and remaining amount from internal accruals. The same had increased to Rs. 1644.24 Lakhs in FY 2022-23 and short term borrowing was Rs. 879.69 Lakhs. The amount of Working Capital Requirement in Stub Period ending 31st December 2023 stood at Rs. 2,368.47 Lakhs and short term borrowing was Rs. 1,414.58 Lakhs.

For the estimated period of FY 2023-24, the working capital requirement is Rs. 2,220.22 Lakhs & projected that for FY 2024-25 it shall be Rs. 2,564.74 Lakhs and these requirements are fulfilled through short term Rs 1,132.87 Lakhs and Rs. 960.75 Lakhs for FY 2024-2025 respectively and also for FY 2024-25, Rs. 1,200.00 Lakhs shall be sourced through IPO proceeds for funding the Working Capital & the balance amount will be sourced from internal accruals and borrowings.

Justification:

Current Assets

Trade Receivables

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub Dec 31, 2023 (A) | March 31, 2024 (E) | March 31, 2025 (P) |
|-------------------------|------------------|--------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|
| Trade Receivable | Rs. Lakhs | 516.19 | 658.53 | 1,086.13 | 1,257.01 | 1,399.13 | 1,795.24 |
| Change in Amount | Rs. Lakhs | - | 142.34 | 427.60 | 170.88 | 142.12 | 396.12 |
| Trade Receivable | Days | 91 | 72 | 65 | 74 | 77 | 76 |
| Change in Days | Days | - | (19) | (6) | 8 | 3 | -1 |

The numbers in the data show that in 2021, the company took almost 91 days to collect money owed to them, but in 2022, they improved and collected it faster with debtor days reduced to 72 days. Even though the receivables were Rs. 516.19 lakhs for FY 2021 and Rs. 658.53 Lakhs for FY 2022, Debtor days have reduced by 19 days. This illustrates that the company's revenue increased for FY 2022 over FY 2021.

For FY 2023, the company's receivable days have further decreased to 65 days i.e. decreasing by 6 days. The amount outstanding for FY 2023 stands at Rs. 1086.13 Lakhs. This shows that the company's recovery in receivable in comparison for FY 2022 have increased. Company's revenue for the period i.e. FY 2023 has also increased in comparison to FY 2022 and outstanding amount has increased showing that increased in recovery in FY 2023 was in line with company's recovery days in the past.



It could be seen in the stub period ending 31st December 2023, that the amount of receivable has increased to Rs. 1,257.01 Lakhs. It should also be noted that the company's receivable days has increased by almost 65 days to 74 Days. This has brought the company's receivable days increases as compare with receivable days trend of FY 2021, 2022 & 2023 Because the company provided some extra credit period as an offer to increases it revenue of the business.

For estimated period of fiscal year 2024, the receivable days are expected to be 77 days showing a bit of increase in days over the stub period. The receivable outstanding for FY 2024 estimate period is estimated at Rs. 1,399.13 Lakhs. Further for FY 2025, receivable days are expected to decrease to 76 days and outstanding amount is expected to increase to Rs. 1,795.24 Lakhs.

Our company operates in a sector where receivables constitute a significant portion of the working capital. Typically, we provide logistics and warehousing services throughout the month and issue invoices in the subsequent month. However, for the month of March, invoices are issued within the same month. Consequently, this will result in an increase in the days of trade receivables for FY 2024 and FY 2025. We are actively working on measures to manage and reduce this timeframe, aiming to stabilize our days of trade receivables to approximately in the range of 65 to 77 days.

Company projects to bring the receivable days from 74 in stub period 31st December 2023 to 76 days in FY 2025. The increase in amount from Rs. 1,399.13 Lakhs in FY 2024 to Rs. 1,795.24 Lakhs in FY 2025 suggests overall growth of the company.

Other Current Assets

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

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub Dec 31, 2023 (A) | March 31, 2024 (E) | March 31, 2025 (P) |
|-------------------------|------------------|--------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|
| Other Current Assets | Rs. Lakhs | 81.72 | 227.62 | 211.76 | 567.13 | 530.58 | 603.53 |
| Change in Amount | Rs. Lakhs | - | 145.89 | (15.86) | 355.37 | (36.55) | 72.95 |

Other current assets include Advances to Suppliers, Advances to Employees, Balances with Government Authority & Other current assets for FY 2021 till stub period 31st December 2023 has been in range of Rs. 81.72 Lakhs to Rs. 567.13 Lakhs. This is also because company's revenue during this audited period has growing almost the same rate. The same is expected to increase in estimated and projected year because the company has plans to get the benefit of pricing and opportunity of efficient rates by making advance payments to suppliers and getting its workflow moving on faster pace.

Bifurcation of OCA for Audited Period is as follows:

| Particulars (Rs. Lakhs) | March 31, 2021 | March 31, 2022 | March 31, 2023 | Stub Dec 31, |
|-------------------------|----------------|----------------|----------------|--------------|
|-------------------------|----------------|----------------|----------------|--------------|



| | (A) | (A) | (A) | 2023 (A) |
|-------------------------------------|--------------|---------------|---------------|---------------|
| Advance to Suppliers | 0.30 | 25.65 | 2.74 | 5.77 |
| Balance with Government Authorities | 63.93 | 109.16 | 138.33 | 106.93 |
| Other Advances | 17.21 | 83.05 | 46.23 | 412.86 |
| Other Current Assets | 0.29 | 9.76 | 24.46 | 41.56 |
| Total | 81.72 | 227.62 | 211.76 | 567.13 |

The amount of Other Current assets has been increasing over the audited period from Rs. 81.72 Lakhs, Rs. 227.62 Lakhs, Rs. 211.76 Lakhs for FY 2021, 2022 & 2023 respectively. Other current assets for stub period 31st December 2023 are Rs. 567.13 Lakhs.

Looking ahead, the company is preparing for substantial growth through an Initial Public Offering (IPO) to raise capital. This IPO is expected to lead to a rise in revenue and have a parallel increase in profits. As part of this strategy, the company anticipates that its Other Current Assets will also expand but not that much.

Consequently, it is expected that the balances in Other Current Assets will be Rs. 530.58 lakhs and Rs. 603.53 lakhs in the fiscal years 2024 and 2025, respectively.

This decrease in estimated as compare to stub period is because the company give less advance to suppliers during in end of the year and increase in projected period is because the company expects that upon increasing the payment of advance to vendors, suppliers or service providers to get the benefit of better pricing, better services on account of such products being bought. This would ultimately help the company to enhance its bottomline.

Current Liabilities

Trade Payables

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub Dec 30, 2023 (A) | March 31, 2024 (E) | March 31, 2025 (P) |
|-------------------------|------------------|--------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|
| Trade Payables | Rs. Lakhs | 255.54 | 367.58 | 45.02 | 48.45 | 63.96 | 82.68 |
| Change in Amount | Rs. Lakhs | - | 112.03 | (322.55) | 3.43 | 15.51 | 18.72 |
| Trade Payables | Days | 46 | 41 | 3 | 3 | 4 | 4 |
| Change in Days | Days | - | (5) | (38) | 0 | 1 | 0 |

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

Amount Trends:

- The company experienced stability in trade payables from FY 2021 to FY 2022.
- The huge decreased in FY 2023, amounting to Rs.45.02 Lakhs, was primarily a result of advance to supplier due to which at the end of the payment the company had to give very less amount after fully



getting the services from the vendors and secondary buying of new Fixed Assets with help in let down the cost of Freight & Forwarding.

- The same in stub period 31st December 2023 with company increase revenue. This led to increase in outstanding to vendors with whom such projects were executed.
- For FY 2024, the company expects stable moderate increase as company expects to make payments in advance also to its vendors and suppliers to get benefit of pricing.
- In projected year FY 2025, a stability in days is further expected considering the growth company expects to reach in the said year.

Days Trends:

- The company's payable days were 46 Days in FY 2021 which were reduced to 41 Days in FY 2022.
- For the FY 2023, the days increased to 3 days i.e. an decrease of 38 Days.
- For Stub period the payable days was 3 Days.
- In FY 2024 the payable days are expected to be at 4 Days and For FY 2025, the payable days are expected to be same as in FY 2024 which is 4 Days.

Analysis:

- The significant downturn in trade payables in FY 2023 can be attributed due to advance payment to the vendors and decrease in the freight and forwarding expenses because the company is buying its own fixed assets not to borrow from outside.
- For FY 2024 & FY 2025, company expects to keep the payable days at 4 Days level and after keeping the days at such level it could be seen that the amount of trade payable stability. This is clearly due to the reason of growth expected by the company in terms of revenue and profits in projected year.

Other Current Liabilities (including short term provisions)

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub Dec 31, 2023 (A) | March 31, 2024 (E) | March 31, 2025 (P) |
|---------------------------|------------------|--------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|
| Other Current Liabilities | Rs. Lakhs | 85.01 | 69.27 | 147.95 | 206.07 | 198.97 | 258.66 |
| Short Term Provisions | Rs. Lakhs | 10.16 | 25.81 | 41.05 | 61.78 | 154.07 | 244.77 |
| Total | Rs. Lakhs | 95.17 | 95.08 | 188.99 | 267.85 | 353.03 | 503.42 |

Bifurcation of Audited Numbers: (Rs. Lakhs)

| Other Current Liability (including short term provisions) | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub Dec 31, 2023 (A) |
|---|--------------------|--------------------|--------------------|-----------------------|
| Statutory Remittances | 57.66 | 33.26 | 77.43 | 201.16 |
| Other Expenses Payable | 27.35 | 36.01 | 70.51 | 4.91 |
| Provision for income tax | 10.16 | 25.81 | 41.05 | 61.78 |
| Total | 95.17 | 95.08 | 188.99 | 267.85 |

For the FY 2021 till stub period 31st December 2023, the company's Other Current Liabilities including Short



Term Provisions are in range of Rs. 95 Lakhs to Rs. 270 lakhs. This is majorly on account of Statutory Remittances, provision for income tax, Other Expenses Payable.

It is expected that for the FY 2024 & FY 2025, the total amount for Other Current Liabilities shall be Rs. 353.03 Lakhs & Rs. 503.42 Lakhs respectively. This is majorly due to provision for income tax as the other current liabilities stay in same range as previous years.

Short Term Borrowings

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub Dec 30, 2023 (A) | March 31, 2024 (E) | March 31, 2025 (P) |
|-----------------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------------------|
| Borrowings | Rs. Lakhs | 216.18 | 398.42 | 879.69 | 1,414.58 | 1,132.87 | 960.75 |
| <i>Change in Amount</i> | <i>Rs. Lakhs</i> | - | 182.24 | 481.26 | 534.89 | (281.71) | (172.12) |

The company expects to meet the requirements of Working Capital through Short Term Borrowing and try to keep in the limits of short term borrowings at similar level for projected period as they were in audited period. The amount for short term borrowings stands at Rs.216.18 Lakhs & Rs. 398.42 Lakhs in FY 2021 & FY 2022. The same increases to Rs. 879.69 Lakhs in FY 2023. For the stub period 31, Dec 2023 the amount stands at Rs. 1,414.58 Lakhs. For estimated period FY 2024 the amount should be Rs. 1,132.87 Lakhs because as compare to stub period some of the short term borrowing will paid & Projected Period FY 2025 the amount should be Rs 960.75 lakhs. Thus, this states that the company will pay of its short term borrowing from the fund available by him to save its interest cost for the company.

Conclusion

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

4. General Corporate Purpose

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



5. Issue Related Expenses

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

(Rupees in Lakhs)

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

MEANS OF FINANCE

(Rupees in Lakhs)

| Particulars | Estimated Amount |
|-------------|------------------|
| IPO Proceed | [●] |

APPRAISAL BY APPRAISING AGENCY

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

SCHEDULE OF IMPLEMENTATION

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

(Rupees in Lakhs)

| S. No. | Particulars | Amount to be funded from Net Proceeds | Expenses incurred till May 25, 2024 | Estimated Utilisation of Net Proceeds (F.Y. 2024-25) | Estimated Utilisation of Net Proceeds (F.Y. 2025-26) |
|--------------|-----------------------------|---|---|---|---|
| 1. | Investment in Technology | 80.00 | [●] | [●] | [●] |
| 2. | Capital Expenditure | 220.00 | [●] | [●] | [●] |
| 3. | Working Capital Requirement | 1,200.00 | [●] | [●] | [●] |
| 4. | General Corporate Purposes | [●] | [●] | [●] | [●] |
| Total | | [●] | [●] | [●] | [●] |

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



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

DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated May 25, 2024, from M/s Goyal Parul & Co., Chartered Accountants. The certificate states that the Company has incurred a sum of Rs. 1.00 Lakhs toward issue expense as on May 25, 2024.

INTERIM USE OF FUNDS

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

BRIDGE FINANCING FACILITIES

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

MONITORING UTILIZATION OF FUNDS

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

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the Postal Ballot Notice) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in



the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associates or group companies except in the normal course of business and as disclosed in the sections titled Our Promoters, Our Promoters Group and Our Management as mentioned on page nos. 210, 215 and 191 of this Draft Red Herring Prospectus.

(This space has been left blank intentionally.)



BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page 27, 151, and 219 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

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

QUALITATIVE FACTORS

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

1. *Timely and safe deliveries*
2. *Experienced management team and a motivated and efficient work force;*
3. *Cordial relations with our clients;*

For further details, refer to the heading chapter titled “Our Business” beginning on page 151 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

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

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

| Financial Year | EPS (Basic & Diluted) | Weight |
|-----------------------------|-----------------------|-------------|
| 2022-23 | 1.73 | 3 |
| 2021-22 | 1.21 | 2 |
| 2020-21 | 0.69 | 1 |
| Weighted Average EPS | | 1.38 |
| December 31, 2023* | | 2.93 |

*Not Annualized

Note:

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



d) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

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

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

**Not Annualized*

Industry P/E*

| | |
|----------------|--------------|
| Highest | 185.47 |
| Lowest | 15.53 |
| Average | 69.39 |

**Money control*

3. Return on Net Worth (RONW)

| Financial Year | Return on Net Worth (%) | Weight |
|-------------------------|-------------------------|---------------|
| 2022-23 | 12.66% | 3 |
| 2021-22 | 8.67% | 2 |
| 2020-21 | 5.39% | 1 |
| Weighted Average | | 10.11% |
| December 31, 2023* | | 17.65% |

**Not Annualized*

Note:

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

4. Net Asset Value per Equity Share

| Particulars | Net Asset Value (NAV) in Rs. |
|-------------------------------------|------------------------------|
| December 31, 2023 | 16.37 |
| 2022-23 | 13.39 |
| 2021-22 | 12.13 |
| 2020-21 | 11.08 |
| NAV after the Issue- At Cap Price | [●] |
| NAV after the Issue- At Floor Price | [●] |



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

$NAV = \text{Net worth excluding preference share capital and revaluation reserve} / \text{Outstanding number of Equity shares outstanding during the year or period.}$

5. Comparison with industry peers

| # | Name of the company | Face Value (Per share) | CMP | EPS (Rs) | P/E Ratio | RONW (%) | NAV (Rs. Per share) | PAT (Rs. In Lakhs) |
|--------------------|------------------------------|------------------------|--------|----------|-----------|----------|---------------------|--------------------|
| 1 | Pranik Logistics Limited | 10.00 | [●] | 2.93 | [●] | 17.65 | 16.37 | 157.90 |
| Peer Group* | | | | | | | | |
| 2 | SJ Logistics (India) Limited | 10.00 | 396.50 | 2.64 | 61.53 | 16.51 | 53.00 | 488.08 |

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

* Sourced from Annual Reports, Unaudited Financials, NSE & BSE.

Notes:

- Considering the nature and turnover of business of the Company, the peers are not strictly comparable. However, the same have been included for broader comparison.
- The figures for Pranik Logistics Limited are based on the restated results for the period ended December 31, 2023.
- The figures for the peer group are based on standalone restated results for the period ended December 31, 2023.
- Current Market Price (CMP) is the closing price of respective scrip as on June 03, 2024.

For further details see section titled Risk Factors beginning on page 27 and the financials of the Company including profitability and return ratios, as set out in the section titled Auditors Report and Financial Information of Our Company beginning on page 219 of this Draft Red Herring Prospectus for a more informed view.

Key financial and operational performance indicators (“KPIs”)

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 26, 2024. Further, the KPIs herein have been certified by M/s Goyal Parul & Co., chartered accountants, by their certificate dated May 25, 2024, vide UDIN 24465072BKAEVR8768. Additionally, the Audit Committee on its meeting dated May 26, 2024, have confirmed that other than verified and audited KPIs set out below, our company has not disclosed to earlier investors at any point of time during the three years period prior to the date of the Draft Red Herring Prospectus.

For further details of our key performance indicators, see “Risk Factors, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 27, 151 and 250 respectively. We have described and defined them, where applicable, in “Definitions and Abbreviations” section on page no. 2. Our Company confirms that it shall continue to disclose all the KPIs included in this section “Basis for Offer Price”, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the



aforementioned period, will be explained by our Company as required under the SEBI ICDR Regulations.

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

(Rupees in Lakhs, except EPS, % and ratios)

| Particulars | For period ended December 31 st , 2023 | Financial Year ended March 31 st , 2023 | Financial Year ended March 31 st , 2022 | Financial Year ended March 31 st , 2021 |
|--|---|--|--|--|
| Revenue from operations ⁽¹⁾ | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| Growth in Revenue from Operations ⁽²⁾ | - | 80.85% | 61.93% | - |
| EBITDA ⁽³⁾ | 500.80 | 345.13 | 97.61 | 48.41 |
| EBITDA (%) Margin ⁽⁴⁾ | 10.66% | 5.70% | 2.92% | 2.34% |
| EBITDA Growth Period on Period ⁽⁵⁾ | - | 253.58% | 101.63% | - |
| ROCE (%) ⁽⁶⁾ | 29.76% | 23.38% | 15.40% | 10.33% |
| Current Ratio ⁽⁷⁾ | 1.34 | 1.32 | 1.26 | 1.44 |
| Operating Cashflow ⁽⁸⁾ | 454.98 | 348.01 | 161.34 | 187.09 |
| PAT ⁽⁹⁾ | 157.90 | 93.22 | 31.54 | 17.92 |
| ROE/ RoNW ⁽¹⁰⁾ | 17.65% | 12.66% | 8.67% | 5.39% |
| EPS ⁽¹¹⁾ | 2.93 | 1.73 | 1.21 | 0.69 |

Notes:

- ⁽¹⁾ Revenue from operations is the total revenue generated by our Company from its operation.
- ⁽²⁾ Growth in revenue in percentage, year on year
- ⁽³⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
- ⁽⁴⁾ EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- ⁽⁵⁾ EBITDA growth rate year on year
- ⁽⁶⁾ ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term debt less Revaluation Reserve.
- ⁽⁷⁾ Current Ratio: Current Asset over Current Liabilities
- ⁽⁸⁾ Operating Cash Flow: Net cash inflow from operating activities.
- ⁽⁹⁾ PAT is mentioned as PAT for the period
- ⁽¹⁰⁾ ROE/RoNW is calculated as PAT divided by shareholders' equity
- ⁽¹¹⁾ EPS is mentioned as EPS for the period

| KPI | Explanation |
|------------------------|---|
| Revenue from operation | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business. |
| Revenue Growth Rate % | Revenue Growth Rate informs the management of annual growth rate in revenue of the company on consideration to the previous period |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business. |
| EBITDA Margin (%) | EBITDA Margin (%) is an indicator of the operational profitability and financial |



| | |
|----------------------|---|
| | performance of our business |
| EBITDA Growth Rate % | EBITDA Growth Rate inform the management of annual growth rate in EBIDTA of company on consideration to previous period |
| ROCE % | ROCE provides how efficiently our Company generates earnings from the capital employed in the business. |
| Current Ratio | Current ratio indicate the company's ability to bear its short term obligations. |
| Operating Cash Flow | Operating cash flow shows whether the company is able to generate cash from day-to-day business. |
| PAT | Profit after Tax is an indicator which determines the actual earning available to equity shareholders. |
| ROC/RoNW | ROC/RoNW (%) is an indicator which shows how much company is generating from its available shareholders' funds |
| EPS | Earning per shares is the company's earnings available of one share of the Company for the period |

7. GAAP Financial Measures

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

(Rupees in Lakhs)

| Particulars | Period ended December 31, 2023 | Financial Year ended March 31st, 2023 | Financial Year ended March 31st, 2022 | Financial Year ended March 31st, 2021 |
|---|--------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue from operations | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| Profit after tax | 157.90 | 93.22 | 31.54 | 17.92 |
| Cash flow from operating activities | 454.98 | 348.01 | 161.34 | 187.09 |
| Cash Flow from investing activities | (135.42) | (349.68) | (128.58) | 2.94 |
| Cash Flow from financing activities | (39.28) | 278.12 | 54.96 | (8.66) |
| Net Change in Cash and cash equivalents | 280.28 | 276.45 | 87.73 | 181.37 |

8. Non- GAAP Financial measures

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

- i. Exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measures calculated and presented in accordance with GAAP in the financial statements of the issuer company; or
- ii. Include amounts or are subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measures so calculated and presented. Such adjustment items should be



based on the audited line items only, which are included in the financial statements. These Non-GAAP Financial measures are items which are not defined under Ind AS or AS, as applicable. Generally, if the issuer company takes a commonly understood or defined GAAP amount and removes or adds a component of that amount that is also presented in the financial statements, the resulting amount is considered a Non-GAAP Financial measure. As a simplified example, if the issuer company discloses net income less restructuring charges and loss on debt extinguishment (having determined all amounts in accordance with GAAP), the resulting performance amount, which may be labelled “Adjusted Net Income,” is a Non-GAAP Financial measure.

(Rupees in Lakhs, except %)

| Particulars | Period ended December 31, 2023 | Financial Year ended March 31 st , 2023 | Financial Year ended March 31 st , 2022 | Financial Year ended March 31 st , 2021 |
|-------------------|--------------------------------|--|--|--|
| EBITDA | 500.80 | 345.13 | 97.61 | 48.41 |
| Adjusted revenues | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| Adjusted PAT | 157.90 | 93.22 | 31.54 | 17.92 |
| EBITDA margin | 10.66% | 5.70% | 2.92% | 2.34% |
| Working capital | 679.57 | 451.54 | 248.30 | 247.21 |
| PAT Margin | 3.36% | 1.54% | 0.94% | 0.87% |

Apart from the above, Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021, has issued certain amendments to the Schedule III to the Act. Pursuant to these amendments, the below ratios are also required to be presented in the financial statements of the companies:

On the basis of Restated financial statements.

| Particulars | For the period ended December 31, 2023 | Financial Year ended March 31, 2023 | Financial Year ended March 31, 2022 | Financial Year ended March 31, 2021 |
|----------------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Current ratio | 1.34 | 1.32 | 1.26 | 1.44 |
| Debt-equity ratio | 2.22 | 1.88 | 1.59 | 0.69 |
| Debt service coverage ratio | 3.88 | 4.26 | 4.20 | 6.23 |
| Return on Equity Ratio | 0.18 | 0.13 | 0.09 | 0.05 |
| Inventory turnover ratio | N.A | N.A | N.A | N.A |
| Trade receivables turnover ratio | 3.74 | 5.57 | 5.08 | 4.00 |
| Trade payables turnover ratio | N.A | N.A | N.A | N.A |
| Net capital turnover ratio | 6.92 | 13.40 | 13.48 | 8.36 |
| Net profit ratio | 0.03 | 0.02 | 0.01 | 0.01 |
| Return on capital employed | 0.30 | 0.23 | 0.15 | 0.10 |

9. Comparison of KPI with listed industry peers

(Rupees in Lakhs, except%)

| Particulars | Pranik Logistics Limited | | | SJ Logistics (India) Limited | | |
|--|--------------------------|---------|---------|------------------------------|----------|----------|
| | Mar-23 | Mar-22 | Mar-21 | Mar-23 | Mar-22 | Mar-21 |
| Revenue from Operations ⁽¹⁾ | 6052.70 | 3346.73 | 2066.75 | 13431.17 | 10362.43 | 12392.64 |



| | | | | | | |
|--|--------|--------|--------|---------|----------|---------|
| Growth in revenue from operations ⁽²⁾ | 80.85% | 61.93% | - | 29.61% | (16.38%) | - |
| EBITDA ⁽³⁾ | 345.13 | 97.61 | 48.41 | 1172.47 | 363.25 | 343.83 |
| EBITDA Margin ⁽⁴⁾ | 5.70% | 2.92% | 2.34% | 8.73% | 3.51% | 2.77% |
| PAT ⁽⁵⁾ | 93.22 | 31.54 | 17.92 | 761.56 | 188.37 | 86.32 |
| PAT Margin ⁽⁶⁾ | 1.54% | 0.94% | 0.87% | 5.67% | 1.82% | 0.70% |
| Net Worth ⁽⁷⁾ | 736.63 | 363.96 | 332.42 | 3120.32 | 1536.49 | 1348.12 |

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

Notes:

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

10. Weighted average cost of acquisition.

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

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

| S. No. | Date of Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Issue Price Adjusted after Bonus Issue | Nature of consideration | Nature of Allotment |
|--|--------------------|-------------------------------|------------------|-------------------|--|-------------------------|--------------------------------|
| 1. | On Incorporation | 10,000 | 100 | 100 | 66.67 | Cash | Subscription to MOA |
| <i>The Equity share capital of the company is Sub-divided from Rs. 100/- per equity share to Rs. 10/- per equity share*.</i> | | | | | | | |
| 2. | After Sub-division | 1,00,000 | 10 | 10 | 6.67 | Other than Cash | Subdivision |
| 3. | 31-03-2020 | 19,00,000 | 10 | 10 | 6.67 | Cash | Conversion of Loan into Equity |
| 4. | 31-03-2020 | 6,00,000 | 10 | 10 | 6.67 | Cash | Conversion of Loan into Equity |
| 5. | 28-03-2023 | 27,94,500 | 10 | 10 | 6.67 | Cash | Conversion of Loan into Equity |



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

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

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

| Type of transaction | Weighted average cost of acquisition (₹ per equity shares) | Weighted average cost of acquisition after Bonus shares adjustments (₹ per equity shares) | Floor Price | Cap Price |
|---|--|---|-------------|-----------|
| Weighted average cost of primary / new issue acquisition* | 5.09 | 3.39 | [●] | [●] |
| Weighted average cost of secondary acquisition** | 10.00 | 6.67 | [●] | [●] |

*Calculated for last 18 months

**Calculated for Transfer of Equity Shares.

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

Not Applicable.

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STATEMENT OF POSSIBLE TAX BENEFITS

Independent Auditor's Report on Statement of Special Tax Benefits

To,
The Board of Directors,
Pranik Logistics Limited
(Previously known as Pranik Logistics Private Limited)
P.S. Srijan Tech Park, Plot No 52, Block DN,
14th Floor, Sector V, Salt Lake, City, Parganas North,
Kolkata, West Bengal, India, 700091

Subject: Statement of Possible Special Tax Benefits Available to the Pranik Logistics Limited and its Shareholders prepared in accordance with the requirements under Schedule VI-PART A, Clause (9) (L) of the SEBI(ICDR) Regulations, 2018, as amended (the "Regulations")

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

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

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

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



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

- the Company or its Shareholders will continue to obtain these benefits in future;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

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

Limitations

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus/ Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

The certificate is issued solely for the limited purpose to comply with Indian [ICDR Regulations]. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India (including in the United States of America), and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. This report should not be relied upon by prospective investors outside India (including persons who are Qualified Institutional Buyers as defined under (i) Rule 144A or (ii) Regulation S under the United States Securities Act of 1933, as amended) participating in the Offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation or any other laws other than laws of India.

Signed in terms of our separate report of even date.

For, Goyal Parul & Co
Chartered Accountants
Firm Registration No: 016750N

Sd/-
CA Gaurav Gupta
Partner
Membership No.: 465072



UDIN: 24465072BKAEVP9865

Place: Delhi

Date: 25-05-2024

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Annexure to the statement of possible Tax Benefits

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

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

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

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

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

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

Notes:

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

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

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SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

GLOBAL ECONOMY OUTLOOK

Moderating Inflation and Steady Growth Open Path to Soft Landing

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



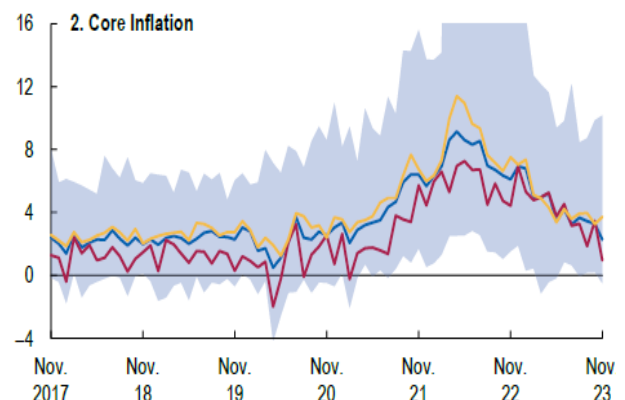
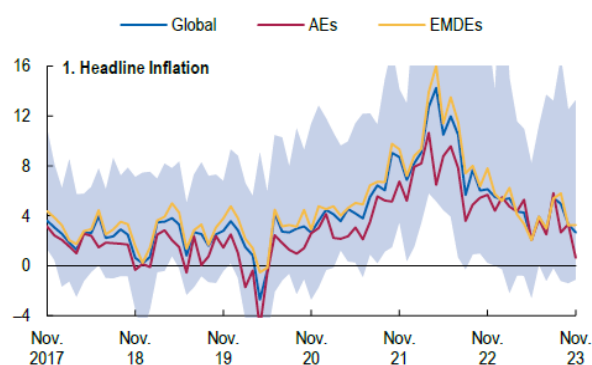
Forces Shaping the Outlook

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

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

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

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





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

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

The Forecast

Growth Outlook: Resilient but Slow

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

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

These forecasts are based on assumptions that fuel and nonfuel commodity prices will decline in 2024 and 2025 and that interest rates will decline in major economies. Annual average oil prices are projected to fall by about 2.3 percent in 2024, whereas nonfuel commodity prices are expected to fall by 0.9 percent. Projections are for policy rates to remain at current levels for the Federal Reserve, the European Central Bank, and the Bank of



England until the second half of 2024, before gradually declining as inflation moves closer to targets. The Bank of Japan is projected to maintain an overall accommodative stance.

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

Inflation Outlook: Steady Decline to Target

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

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Table 1. Overview of the World Economic Outlook Projections
(Percent change, unless noted otherwise)

| | Year over Year | | | | | | Q4 over Q4 2/ | | |
|---|----------------|----------|-------------|------|------------------------------|------|---------------|-------------|------|
| | 2022 | Estimate | Projections | | Difference from October 2023 | | Estimate | Projections | |
| | | 2023 | 2024 | 2025 | WEO Projections 1/ | 2024 | | 2025 | 2023 |
| World Output | 3.5 | 3.1 | 3.1 | 3.2 | 0.2 | 0.0 | 3.1 | 3.1 | 3.1 |
| Advanced Economies | 2.6 | 1.6 | 1.5 | 1.8 | 0.1 | 0.0 | 1.6 | 1.6 | 1.7 |
| United States | 1.9 | 2.5 | 2.1 | 1.7 | 0.6 | -0.1 | 2.9 | 1.5 | 1.9 |
| Euro Area | 3.4 | 0.5 | 0.9 | 1.7 | -0.3 | -0.1 | 0.2 | 1.5 | 1.6 |
| Germany | 1.8 | -0.3 | 0.5 | 1.6 | -0.4 | -0.4 | -0.1 | 1.1 | 1.9 |
| France | 2.5 | 0.8 | 1.0 | 1.7 | -0.3 | -0.1 | 0.6 | 1.4 | 1.8 |
| Italy | 3.7 | 0.7 | 0.7 | 1.1 | 0.0 | 0.1 | 0.2 | 1.3 | 1.0 |
| Spain | 5.8 | 2.4 | 1.5 | 2.1 | -0.2 | 0.0 | 1.5 | 1.8 | 2.1 |
| Japan | 1.0 | 1.9 | 0.9 | 0.8 | -0.1 | 0.2 | 1.4 | 1.6 | 0.5 |
| United Kingdom | 4.3 | 0.5 | 0.6 | 1.6 | 0.0 | -0.4 | 0.9 | 0.6 | 1.8 |
| Canada | 3.8 | 1.1 | 1.4 | 2.3 | -0.2 | -0.1 | 1.1 | 1.9 | 2.2 |
| Other Advanced Economies 3/ | 2.7 | 1.7 | 2.1 | 2.5 | -0.1 | 0.2 | 1.5 | 2.6 | 2.0 |
| Emerging Market and Developing Economies | 4.1 | 4.1 | 4.1 | 4.2 | 0.1 | 0.1 | 4.3 | 4.3 | 4.1 |
| Emerging and Developing Asia | 4.5 | 5.4 | 5.2 | 4.8 | 0.4 | -0.1 | 5.2 | 5.5 | 4.7 |
| China | 3.0 | 5.2 | 4.6 | 4.1 | 0.4 | 0.0 | 5.4 | 4.4 | 4.0 |
| India 4/ | 7.2 | 6.7 | 6.5 | 6.5 | 0.2 | 0.2 | 5.0 | 7.8 | 6.7 |
| Emerging and Developing Europe | 1.2 | 2.7 | 2.8 | 2.5 | 0.6 | 0.0 | 4.1 | 2.0 | 2.9 |
| Russia | -1.2 | 3.0 | 2.6 | 1.1 | 1.5 | 0.1 | 4.4 | 1.4 | 1.0 |
| Latin America and the Caribbean | 4.2 | 2.5 | 1.9 | 2.5 | -0.4 | 0.1 | 2.2 | 1.7 | 2.6 |
| Brazil | 3.0 | 3.1 | 1.7 | 1.9 | 0.2 | 0.0 | 2.3 | 2.6 | 1.4 |
| Mexico | 3.9 | 3.4 | 2.7 | 1.5 | 0.6 | 0.0 | 3.4 | 1.9 | 1.4 |
| Middle East and Central Asia | 5.5 | 2.0 | 2.9 | 4.2 | -0.5 | 0.3 | ... | ... | ... |
| Saudi Arabia | 8.7 | -1.1 | 2.7 | 5.5 | -1.3 | 1.3 | -4.5 | 2.8 | 5.4 |
| Sub-Saharan Africa | 4.0 | 3.3 | 3.8 | 4.1 | -0.2 | 0.0 | ... | ... | ... |
| Nigeria | 3.3 | 2.8 | 3.0 | 3.1 | -0.1 | 0.0 | 2.7 | 3.3 | 2.9 |
| South Africa | 1.9 | 0.6 | 1.0 | 1.3 | -0.8 | -0.3 | 1.0 | 1.2 | 1.3 |
| Memorandum | | | | | | | | | |
| World Growth Based on Market Exchange Rates | 3.0 | 2.7 | 2.6 | 2.7 | 0.2 | 0.0 | 2.7 | 2.5 | 2.6 |
| European Union | 3.6 | 0.6 | 1.2 | 1.9 | -0.3 | -0.2 | 0.7 | 1.4 | 2.3 |
| ASEAN-5 5/ | 5.5 | 4.2 | 4.7 | 4.4 | 0.2 | -0.1 | 4.1 | 5.2 | 3.5 |
| Middle East and North Africa | 5.6 | 2.0 | 2.9 | 4.2 | -0.5 | 0.3 | ... | ... | ... |
| Emerging Market and Middle-Income Economies | 4.0 | 4.2 | 4.0 | 4.0 | 0.1 | 0.0 | 4.3 | 4.3 | 4.1 |
| Low-Income Developing Countries | 5.2 | 4.0 | 5.0 | 5.6 | -0.1 | 0.0 | ... | ... | ... |
| World Trade Volume (goods and services) 6/ | 5.2 | 0.4 | 3.3 | 3.6 | -0.2 | -0.1 | ... | ... | ... |
| Advanced Economies | 6.1 | 0.3 | 2.6 | 3.2 | -0.4 | -0.1 | ... | ... | ... |
| Emerging Market and Developing Economies | 3.7 | 0.6 | 4.5 | 4.4 | 0.2 | 0.0 | ... | ... | ... |
| Commodity Prices | | | | | | | | | |
| Oil 7/ | 39.2 | -16.0 | -2.3 | -4.8 | -1.6 | 0.1 | -2.8 | -6.1 | -4.9 |
| Nonfuel (average based on world commodity import) | 7.9 | -6.1 | -0.9 | -0.4 | 1.8 | -0.3 | -2.0 | 1.5 | 0.2 |
| World Consumer Prices 8/ | 8.7 | 6.8 | 5.8 | 4.4 | 0.0 | -0.2 | 6.0 | 5.3 | 3.8 |
| Advanced Economies 9/ | 7.3 | 4.6 | 2.6 | 2.0 | -0.4 | -0.2 | 3.1 | 2.3 | 2.0 |
| Emerging Market and Developing Economies 8/ | 9.8 | 8.4 | 8.1 | 6.0 | 0.3 | -0.2 | 8.4 | 7.7 | 5.2 |

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



Risks to the Outlook

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

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

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

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

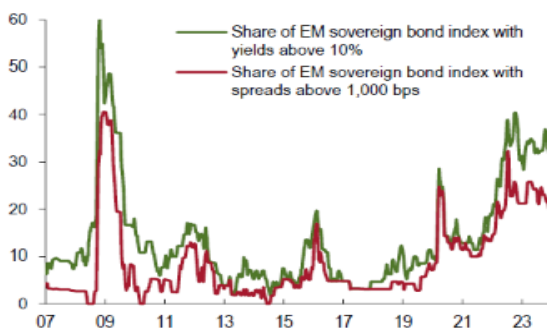
- ***Commodity price spikes amid geopolitical and weather shocks:*** The conflict in Gaza and Israel could escalate further into the wider region, which produces about 35 percent of the world’s oil exports and 14 percent of its gas exports. Continued attacks in the Red Sea—through which 11 percent of global trade flows—and the ongoing war in Ukraine risk generating fresh adverse supply shocks to the global recovery, with spikes in food, energy, and transportation costs. Container shipping costs have already sharply increased, and the situation in the Middle East remains volatile. Further geoeconomic fragmentation could also constrain the cross-border flow of commodities, causing additional price volatility. More extreme weather shocks, including floods and drought, could, together with the El Niño phenomenon, also cause food price spikes, exacerbate food insecurity, and jeopardize the global disinflation process.



- **Persistence of core inflation, requiring a tighter monetary policy stance:** A slower-than-expected decline in core inflation in major economies due, for example, to persistent labor market tightness and renewed tensions in supply chains could trigger a rise in interest rate expectations and a fall in asset prices, as in early 2023. Such developments could increase financial stability risks, tighten global financial conditions, trigger flight-to-safety capital flows, and strengthen the US dollar, with adverse consequences for trade and growth.
- **Faltering of growth in China:** Absent a comprehensive restructuring policy package for the troubled property sector, real estate investment could drop more than expected, and for longer, with negative implications for domestic growth and trading partners. Unintended fiscal tightening in response to local government financing constraints is also possible, as is reduced household consumption in a context of subdued confidence.
- **Disruptive turn to fiscal consolidation:** Fiscal consolidation is necessary in many economies to deal with rising debt ratios. But an excessively sharp shift to tax hikes and spending cuts, beyond what is envisaged, could result in slower-than-expected growth in the near term. Adverse market reactions could pressure some countries that lack a credible medium-term consolidation plan or face a risk of debt distress to undertake harsh adjustments. In low-income countries and emerging market economies, the risk of debt distress remains elevated, constraining scope for necessary growth-enhancing investments.

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

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



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

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

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



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

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

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

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

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

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INDIAN ECONOMY OUTLOOK

Introduction

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

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

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

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

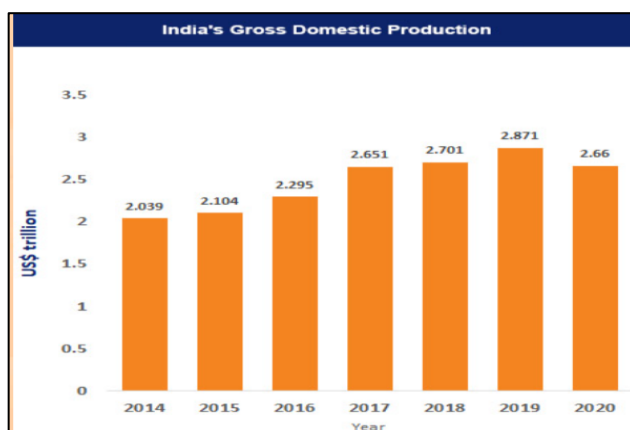
Market Size

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

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



fiscal 2023-24 as compared to US\$ 9.2 billion or 1.1% of GDP in the preceding quarter.



Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

Recent Developments

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

- As of January 19, 2024, India's foreign exchange reserves stood at US\$ 616.14 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in December 2023 stood at US\$ 38.45 billion, with total merchandise exports of US\$ 505.15 billion during the period of April-December (2023-24).
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- At the beginning of January 2024, the PMI Services comfortably remained in the expansionary zone, registering a value of 61.2.
- In December 2023, the gross Goods and Services Tax (GST) revenue collection stood at Rs.1,64,882 crore (US\$ 19.80 billion), of which CGST is Rs. 30,443 crore (US\$ 3.65 billion), SGST is Rs. 37,935 crore (US\$ 4.55 billion).
- Between April 2000–September 2023, cumulative FDI equity inflows to India stood at US\$ 953.14 billion.



- In November 2023, the overall IIP (Index of Industrial Production) stood at 141. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 131.1, 139.2 and 176.3, respectively, in November 2023.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.55% in November 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested Rs. 261,856 crore (US\$ 31.5 billion) in India during April-December (2023-24).
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

Government Initiatives

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

- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17th, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food



grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1st, 2023.

- On October 7th, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1st, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.



- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

Road Ahead

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

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

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



pressures in India look to be on the decline overall.

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

Global Smart Warehouse Industry

Smart Warehousing Market size is expected to cross USD 122 Billion by the end of 2036, growing at a CAGR of 15% during the forecast period, i.e., 2024-2036. In the year 2023, the industry size of smart warehousing was over USD 20 Billion. The growth of the market is due to growing incidences of email phishing and ransomware, as well as the need for coherence between security policies and facility audit trails. The number of global ransomware attacks was estimated at 236.1 million during the first half of 2022. In 2021 there was a global outbreak of 623.3 million ransomware attacks. In 2022, the amount of ransomware was around 20% of all cybercrimes.

In addition, the smart warehousing industry is taking off as e-commerce's popularity increases and digitalization progresses. To improve and accelerate the supply chain's network, a wide range of suppliers from all over the world are using cutting-edge technologies such as barcode scanning software, automatic driving aids or radio frequency identification technology to reduce errors. In order to develop the market, it is vital that these technologies are used for storage.

Growth Drivers



- **The growth in demand for mobile devices as a means to manage operations swiftly and effectively-**

As a result of the widespread use of mobile devices such as smartphones and tablets, warehouse workers and logistics partners now have access to many tools and materials. In 2023, there will be 6.8 billion users of smartphones in the world. The scanning of inventory with barcode applications, viewing the precise location of cargo on a map, gathering detailed shipping information and reporting in less than an hour is some of the features that would be advantageous for warehouse managers to manage effectively their entire warehousing process which drives the smart warehousing market growth.

- **Increasing focus on warehouse 4.0 for a more efficient and safer warehouse**

The Warehouse 4.0 program is aimed to produce more consistent, interlinked experiences in order to shorten the time that is spent training new employees, warehouses are moving to a voice plus touchscreen-based process for selecting and restocking inventory. Moreover, the integration of low-cost sensors such as computer vision AI robots and high-level computers can be integrated to create a solid warehouse automation system, Internet of Things (IoT), Big Data & Data Scientists, Wearables, Augmented Reality, Low-Cost Sensors, Computer Vision Artificial Intelligence or High-Level Computers. In today's age, 50 percent of the workforce can be controlled.



- **Rising focus on green initiatives and sustainability to minimize waste.**

The market's adoption of smart warehousing solutions is being driven by the increasing emphasis on green initiatives and sustainability, which are intended to reduce waste through reducing numbers of human workers errors and have a positive impact on the environment.

- **Rising cybercrimes around the globe**

Growth in the market is also driven by an increasing threat to cybersecurity and complexity as well as increased ability to detect and react to security incidents that are occurring at regular intervals.

Challenges

- **Lesser penetration of smart warehousing across small-scale businesses**

In view of the fact that these organizations stock smaller quantities than large organizations, a number of small businesses do not have their own warehouses. Multiple organizations cannot afford to invest in smart warehousing solutions due to limited income from small and medium-sized enterprises. Lack of enthusiasm in upgrading existing systems as well as limited growth plans makes smaller entrepreneurs unable to understand the benefits of smart warehousing solutions.

The adoption of Smart Warehouse Solutions by different SMEs is also an obstacle to significant investment and high initial costs associated with the implementation of such systems.

Security and privacy issues are also a concern for enterprises that have chosen to adopt Smart Warehouse solutions. They are in possession of confidential data which must be protected in order to avoid data breaches and theft, as it may affect the reputation of the company.

Smart Warehousing Segmentation

Offering (Hardware, Software, Services)

The hardware segment in the smart warehousing market is anticipated to hold the largest revenue share of about 58% during the forecast period. The growing popularity of smartphones in many vertical areas, which can be quickly deployed inventory control systems & automated picking tools to simplify the management of inventories and lower total labor costs, has contributed to this growth. In response to the growing consumer demand of Internet of Things, sensor and AI technologies that will improve warehousing operations, vendors are beginning to develop smart warehouse equipment. More than 29 billion Internet of Things (IoT) devices are expected to be installed worldwide in 2030, nearly doubling the number from 15.2 billion in 2020. China is expected to have more than 8 billion consumer devices by 2030, which will be the world's largest market for the Internet of Things.

Deployment (On-Premises, Cloud)

Smart warehousing market from the cloud segment is anticipated to hold the largest share with about 67% during the forecast period. There has been an increasing use of cloud-based solutions among SMEs and large enterprises in order to provide security for the management of huge amounts of data, with new functionalities that are provided in customized form according to their business needs which lead to greater customer



satisfaction. Moreover, these solutions have a number of benefits that include the capacity to increase applications, as well as their flexibility and ease of maintenance. As a consequence, cloud services are increasingly being adopted by larger companies and SMEs.

Smart Warehousing Industry - Regional Synopsis

North America Market Forecast

The smart warehousing market in the North America region is anticipated to hold the largest revenue share with about 35% during the forecast period. North America is known for its advanced technology infrastructure and innovative industries, making it a hub for adopting smart warehousing. The region's strong technology ecosystem and continuous innovation make it a key player in driving the development and adoption of these solutions globally. The market for robotics in North America was strongly growing: the number of manufacturing installations increased by 12% between 2012 and 2022 to 41,624. Number one adopter is the automotive industry: companies based in the US, Canada, and Mexico installed 20,391 industrial robots, up 30% compared to 2021.

APAC Market Statistics

The Asia Pacific smart warehousing market is expected to account for 27% of the revenue share by 2036. The significant increase in the use of technology across all sectors, with a view to improving customer experience and productivity, is leading to increasing market growth within the region. Furthermore, in the region, there is also a growing demand for automated warehouse processes to enhance productivity, efficiency and accuracy through smart warehousing hardware, solutions and services. Flexibility and potential for staff growth are enhanced by the Smart Warehouse technology that has been introduced.

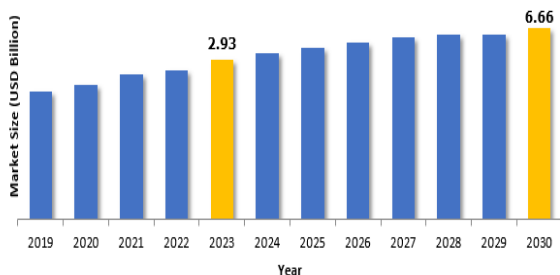
(Source: <https://www.researchnester.com/reports/smart-warehousing-market/5313>)

Indian Smart Warehousing Industry

Increasing adoption of technological advancements, e-commerce sector's high growth, and the government's supportive initiatives are projected to propel the expansion of the India Smart Warehousing Market during the forecast period between 2024 and 2030.

India Smart Warehousing Market - Industry Trends & Forecast Report, 2030

India Smart Warehousing Market Size, By Value (USD Billion), 2019-2030



Source: BlueWeave Consulting



India Smart Warehousing Market size was estimated at USD 2.93 billion in 2023. During the forecast period between 2024 and 2030, the size of India Smart Warehousing Market is projected to grow at a CAGR of 14.65% reaching a value of USD 6.66 billion by 2030. Major growth drivers for the India Smart Warehousing Market include the growing multi-channel distribution networks, an increasing emphasis on environmentally friendly initiatives and rising sustainability measures to reduce waste. The dynamic and globalized nature of supply chain networks further contributes to propelling the market's expansion. Also, the ongoing Industry 4.0



revolution is transforming contemporary warehouse operations through the integration of technologies such as Big Data analytics, Artificial Intelligence, autonomous robotics, augmented reality, and the Internet of Things. The smart warehousing industry is advancing significantly, driven by the increasing popularity of e-commerce and the ongoing process of digitization. Global suppliers are adopting innovative technologies like bar code scanning software, automated guided vehicles, and radio frequency identification technology to enhance and accelerate supply chain networks while minimizing errors. The utilization of these advanced technologies plays a pivotal role in shaping the market's growth and development.

Smart Warehousing – Overview

A smart warehouse, serving as a sizable facility for storing manufactured items and raw materials, has undergone a transformative shift with the integration of machines and computers. Tasks that were traditionally carried out by humans, such as receiving and processing orders, storing and counting products, and efficiently transferring orders to their designated locations, are now seamlessly executed in smart warehouses. The adoption of technologies, such as AGV, RFID, IoT, and analytics, has notably reduced errors or eliminated them entirely in these operations. The increasing utilization of these advanced technologies emerges as a key driver propelling the smart warehousing market forward. Also, a significant trend within smart warehouses involves the automation of virtually all stages involved in the movement of goods from suppliers to customers. The widespread move toward automation is anticipated to witness substantial growth, expanding the sales potential in the India Smart Warehousing Market over the forecast period.

Growth Drivers

Increasing Technological Advancements

Technological advancements are propelling a rapid transformation in India's logistics sector, particularly within warehousing. Government initiatives, liberalizing various industry sectors, and the advent of the Internet have ushered in a smarter era for warehousing operations in Mumbai. Termed as "Smart Warehousing," this contemporary upgrade integrates ingenious technologies, optimizing processes and enhancing overall efficiency. Warehousing roles have evolved into critical functions, aligning with opportunities for logistics companies in India. Smart warehousing offers advantages, such as reduced inventory costs, increased profits through real-time tracking, enhanced order fulfillment speed, and improved inventory management. The integration of artificial intelligence predicts sales volumes, fostering heightened productivity and labor efficiency, ultimately boosting the India Smart Warehousing Market.

Restraints

Cost Concerns

Cost concerns act as a significant restraint on the growth of the India Smart Warehousing Market. While technological advancements offer efficiency gains, the initial investment required for smart warehousing solutions raises concerns for businesses. The implementation of innovative technologies, such as AI, IoT, and automation, involves substantial upfront costs, deterring some companies from embracing these innovations. Striking a balance between cost-effective solutions and the benefit of smart warehousing remains a key challenge, impeding the market's growth trajectory in India.



Impact of COVID-19 on India Smart Warehousing Market

COVID-19 pandemic had a mixed impact on the India Smart Warehousing Market, disrupting supply chains and influencing both supply and demand dynamics. The long-term effects of the pandemic on warehouses were anticipated, with potential global repercussions from outbreaks or transit delays. Despite challenges, the overall outlook for storage remained positive, driven by the convergence of retail and warehousing that was expedited by COVID-19. E-commerce and warehousing gained significant market share, although concerns about pricing power persisted. Automation, including technologies like Assisted Guided Vehicles (AGV), forklift automation, and robots, became imperative for operational efficiency in the post-COVID-19 landscape. The pandemic underscored the importance of addressing mega-trends like aging population, globalization, health and safety, mobility, green logistics, autonomous systems, urbanization, individualization, and digitization for long-term preparedness in the face of challenges.

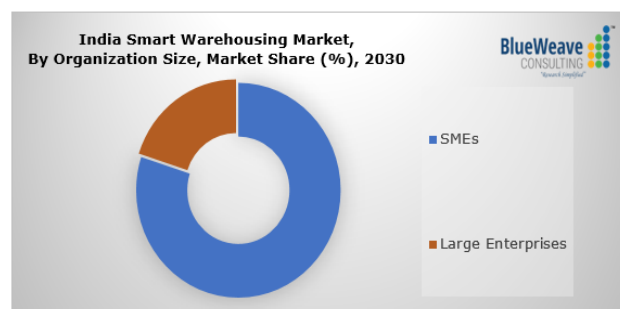
Segmental Coverage

India Smart Warehousing Market – By Component

By component, the India Smart Warehousing Market is divided into Hardware, Software, and Services segments. The hardware segment holds the highest share in the India Smart Warehousing Market by component. It is primarily driven by the widespread adoption of smartphone devices across various sectors. The trend facilitates the rapid deployment of inventory management systems and automated picking tools, resulting in streamlined inventory processes and reduced overall labor costs. Responding to increasing consumer demand for Internet of Things (IoT), sensors, and artificial intelligence (AI) technologies to optimize warehouse operations, vendors are actively developing smart warehousing hardware. This strategic focus aligns with the market's trajectory toward advanced technologies for improved efficiency and operational enhancements.

India Smart Warehousing Market – By Organization Size

Based on organization size, the India Smart Warehousing Market is bifurcated into Small & Medium-sized Enterprises (SMEs) and Large Enterprises segments. The SMEs segment holds a higher share in the India Smart Warehousing Market by organization size. The prevalent adoption of smart warehousing solutions and services by SMEs stems from their growing need to enhance business operations, expand consumer reach, maintain

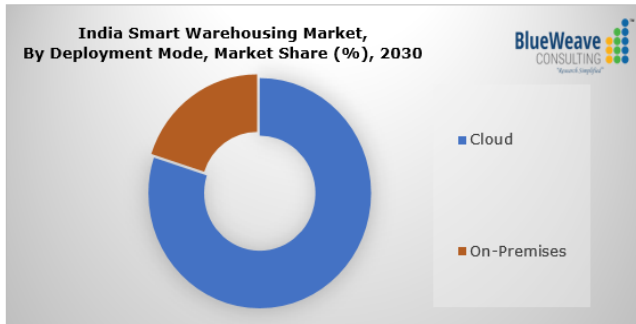


Source: BlueWeave Consulting

competitiveness, and reduce expenditures. Moreover, the uptake of smart warehousing services and solutions among SMEs is motivated by the broader trend across various industry verticals to embrace innovative solutions and processes at a more economical cost. It underscores the strategic and cost-effective approach that SMEs are increasingly employing to leverage the benefits of advanced warehousing technologies.



India Smart Warehousing Market – By Deployment Mode



Source: BlueWeave Consulting

Based on deployment mode, the India Smart Warehousing Market is split into Cloud and On-Premises segments. The cloud segment holds a higher share in the India Smart Warehousing Market by deployment mode. The cloud segment's notable expansion is attributed to the growing acceptance of cloud-based solutions by both SMEs and Large Enterprises. This trend is driven by the deployment of new functionalities in customized formats tailored to business requirements, leading to heightened

customer satisfaction. Additionally, these solutions offer numerous benefits, including the enhanced ability to scale applications, flexibility, and simplified maintenance. Consequently, the adoption of cloud-based solutions is on the rise among both large enterprises and SMEs, underscoring the advantages of enhanced functionality and operational efficiency associated with cloud-based technologies.

India Smart Warehousing Market – By Industry

By industry, the India Smart Warehousing Market is divided into Transportation & Logistics, Retail & E-commerce, Food & Beverages, Manufacturing, and Healthcare segments. The transportation & logistics segment holds the highest share in the India Smart Warehousing Market by industry. A pivotal advantage of smart warehousing lies in maintaining precise inventory records. Through a centralized system, real-time tracking of inventory flow and efficient management of diverse warehouse operations become possible for inventory keepers. Leveraging smart warehousing solutions enhances accessibility, providing accurate information and solutions throughout the supply chain and logistics network. These solutions incorporate robots capable of assisting human workers in various warehouse tasks, performing challenging operations like pickup and installation. The innovative technology, including collaborative robots (co-bots), ensures sustained efficiency in logistics while minimizing labor-intensive tasks, contributing significantly to the segment's growth.

India Smart Warehousing Market – By Application

Based on application, the India Smart Warehousing Market is divided into Transport Management, Inventory Management, Order Management, and Shipping Management segments.

(Source: <https://www.blueweaveconsulting.com/report/india-smart-warehousing-market>)



Global Logistics Industry

The global logistics market size reached US\$ 5.4 Trillion in 2023. Looking forward, the market is expected to reach US\$ 7.9 Trillion by 2032, exhibiting a growth rate (CAGR) of 4.1% during 2024-2032. The market is experiencing robust growth, driven by rapid expansion of e-commerce sector, rising technological advancements, such as the Internet of Things (IoT), ongoing globalization of trade, increasing focus on environmental sustainability, and growing consumer demand for faster delivery systems.

Logistics Market Analysis:

- **Market Growth and Size:** The market is witnessing stable growth, driven by the expansion of e-commerce, technological advancements, and increasing globalization. Moreover, the widespread diversification of services, such as traditional transportation, warehousing, and advanced supply chain management solutions is boosting the market growth.
- **Major Market Drivers:** Key drivers influencing the market growth include the expansion of the e-commerce sector and rapid technological advancements, including automation, and artificial intelligence (AI), to streamline logistics processes.
- **Key Market Trends:** The key market trends involve the increasing focus on sustainability, as companies adopt eco-friendly practices like using electric vehicles (EVs) and optimizing delivery routes. Additionally, the integration of blockchain technology for enhanced transparency and security in supply chain management, is bolstering the market growth.
- **Geographical Trends:** Asia Pacific leads the market due to increasing industrialization, urbanization, and an expanding e-commerce sector. Other regions are also showing significant growth, fueled by the expanding manufacturing base, rapid technological advancements, and increasing digital penetration.
- **Competitive Landscape:** The market is characterized by the presence of several key players focusing on expanding geographical reach and service offerings through strategic partnerships and acquisitions. Moreover, companies are also investing in research and development (R&D) to innovate in areas like autonomous vehicle logistics, drone delivery, and smart warehousing.
- **Challenges and Opportunities:** The market faces various challenges, such as adapting to rapidly changing consumer demands, managing the complexities of global supply chains, and addressing environmental concerns. However, the increasing demand for last-mile delivery solutions, and the potential for technological innovations to create more efficient and sustainable logistics systems, is creating new opportunities for market growth.

Logistics Market Trends:

Expansion of the e-commerce sector

The rising expansion of the e-commerce sector, leading to a surge in demand for more diverse and faster shipping options, is providing a thrust to the market growth. In line with this, the sudden shift towards online commerce, compelling logistics companies to enhance their distribution networks and integrate advanced technologies for real-time tracking and efficient handling of goods, is fostering the market growth. Additionally, the rising prevalence of reverse logistics, which involves the handling of returns, thus complicating the logistics process, is providing a thrust to the market growth. Moreover, logistics companies are focusing on developing more responsive and flexible supply chains, capable of adapting to the fluctuating demands of e-commerce.



Rapid technological advancements

The widespread integrate Internet of Things (IoT) to enhance supply chain visibility and control is providing a thrust to the market growth. Moreover, the introduction of sensors and radio frequency identification (RFID) tags to provide real-time data on the location and condition of goods, enabling more effective tracking and inventory management, is acting as a growth-inducing factor. Besides this, the development of blockchain technology as a tool for improving supply chain transparency and security, particularly in international trade, is fostering the market growth. As a result, the increasing utilization of rapidly growing technological advancements to improve operational efficiency and enhance the customer experience by providing more accurate and timely information about shipments is anticipated to drive the market growth.

Rising globalization of trade

The rising globalization of trade among companies, compelling logistics providers to navigate a complex web of customs regulations and trade agreements, is creating a positive outlook for the market growth. In line with this, the rising need for advanced logistics solutions and expertise in international logistics management, including understanding diverse cultural nuances and business practices for the efficient supply chain, is boosting the market growth. Additionally, the volatility in markets across the globe, such as fluctuations in fuel prices, trade wars, and currency exchange rates, which necessitates the need for a flexible and resilient supply chain strategy that can adapt to changing global scenarios, is bolstering the market growth.

Growing concerns over environmental sustainability

The rising environmental concerns and the implementation of stringent regulations, prompting logistics providers to adopt sustainable practices, are boosting the market growth. In line with this, the increasing investment in alternative fuels and electric vehicles (EVs) to reduce greenhouse gas emissions is favoring the market growth. Along with this, companies are also exploring innovative packaging solutions that are sustainable and cost-effective. Additionally, the ongoing shift towards the development of urban logistics hubs to reduce congestion and pollution in city centers is amplifying the market growth. Apart from this, the increasing collaboration between companies, suppliers, customers, and competitors to share best practices and develop industry-wide standards for sustainability, such as joint investments in renewable energy projects, shared warehousing, and transportation resources, is fueling the market growth.

Increasing consumer demand for faster delivery

The rising consumer expectation for rapid delivery systems is catalyzing the market growth. Logistics companies are experimenting with micro-fulfillment centers, which are smaller warehouses located closer to consumers, drastically reducing delivery times. Additionally, partnerships with local retailers and the use of advanced software for route optimization are becoming common strategies. Moreover, rapid innovations, such as the adoption of aerial drones or underground delivery networks to bypass traffic congestion are fueling the market growth. Besides this, the rising demand for speed compelling companies to innovate and experiment with new methods to meet consumer expectations efficiently and sustainably is positively impacting the market growth. In addition to this, the growing interest in alternative delivery methods to cater to the need for speed, such as the development of autonomous ground vehicles for last-mile deliveries, is enhancing the market growth.



Logistics Industry Segmentation:

Breakup by Model Type:

- 2 PL
- 3 PL
- 4 PL

3 PL accounts for the majority of the market share

Third-party logistics (3PL) holds the largest market share as it involves outsourcing logistics operations to third-party businesses, allowing them to handle a variety of services, including transportation, warehousing, cross-docking, inventory management, packaging, and freight forwarding. It has the ability to provide cost-effective, scalable, and efficient logistics solutions, enabling client businesses to focus on their core competencies. Moreover, the rising growth of e-commerce and online retailers, prompting the adoption of 3PL services for streamlined supply chain operations, is favoring the market growth.

Second-party logistics (2PL) focuses on the transportation aspect of the supply chain, including trucks, ships, or planes for transporting goods from one point to another. They offer specialized modes of transportation and provide their services to shippers directly.

Fourth-party logistics (4PL) providers represent a more integrated approach to logistics management. They act as a single point of contact for all supply chain-related activities by managing resources, technology, infrastructure, and other 3PL services on behalf of their clients.

Breakup by Transportation Mode:

- Roadways
- Seaways
- Railways
- Airways

Roadways hold the largest share in the industry.

Roadways hold the largest in the market, due to their extensive network, flexibility, and cost-effectiveness for short to medium-distance transport. It is crucial for last-mile deliveries and for transporting goods within continents or regions where road infrastructure is well-developed. Road transport offers the advantage of door-to-door service, high frequency of departures, and the ability to handle a wide range of cargo types.

Seaways handles a significant portion of international cargo movement, especially for bulky and heavy goods. It is favored for its cost efficiency in transporting large volumes of goods over long distances. Seaports act as critical hubs in the global supply chain, facilitating the transfer of goods between continents.

Railways are known for their efficiency in moving large quantities of goods over long distances on land. It is particularly effective for bulk commodities and standardized containers. Rail transport offers a more environmentally friendly alternative to road transport, with lower emissions and higher fuel efficiency.



Airways is critical for time-sensitive, high-value goods such as pharmaceuticals, electronics, and perishable items. Air transport provides the fastest shipping method, essential for just-in-time supply chain models, and connects distant global markets effectively.

Breakup by End Use:

- Manufacturing
- Consumer Goods
- Retail
- Food and Beverages
- IT Hardware
- Healthcare
- Chemicals
- Construction
- Automotive
- Telecom
- Oil and Gas
- Others

Manufacturing represents the leading market segment.

The manufacturing industry holds the largest share of the market, as it heavily relies on efficient logistics for the procurement of raw materials and distribution of finished products. It encompasses a wide range of industries, such as electronics and machinery, requiring specialized logistics solutions for managing supply chain disruptions, maintaining inventory levels, and ensuring timely delivery to prevent production delays. The complexity and scale of manufacturing logistics demands robust and adaptable supply chain infrastructure.

Consumer goods include a wide range of products, such as clothing, household items, and personal care products, that require efficient logistics for inbound raw materials and outbound finished products. It is characterized by seasonal peaks, requiring flexible and scalable logistics solutions. The growth of e-commerce has significantly impacted on this sector, increasing the demand for faster and more efficient delivery services.

The retail logistics sector focuses on the distribution channel, requiring a responsive supply chain to adapt to fluctuating consumer demands and seasonal variations. It involves managing inventory across multiple locations, ensuring product availability, and handling returns efficiently.

Food and beverages (F&B) require specialized logistics solutions due to the perishable nature of products. It demands efficient cold chain logistics for transportation and storage to maintain product quality and safety to comply with food safety regulations, manage short shelf-life products, and cope with seasonal fluctuations in demand.

Information technology (IT) hardware logistics involves handling sensitive and high-value products like computers, servers, and networking equipment. It requires precision in handling, storage, and transportation, often with stringent delivery timelines.

The healthcare logistics sector demands high precision and adherence to strict regulatory standards, especially for pharmaceuticals, medical devices, and biotechnology products. It involves the movement of temperature-sensitive and life-saving products, requiring specialized handling and storage.



The chemicals logistics sector promotes the transportation and storage of potentially hazardous materials that require strict adherence to safety and environmental regulations. Logistics providers in the chemical sector must have specialized equipment and trained personnel to handle these materials safely.

Logistics in the construction sector involves the movement of heavy and oversized equipment and materials like steel, cement, and machinery. It requires specialized transportation and handling equipment, as well as careful coordination to ensure timely delivery to construction sites.

The automotive logistics industry involves managing the supply chain for vehicle manufacturers and suppliers. It includes the transportation of raw materials, components, and finished vehicles, requiring highly efficient logistics to maintain just-in-time manufacturing processes.

Telecom logistics involves the distribution of telecommunications equipment, such as cell towers, cables, and networking devices. It requires specialized handling and timely delivery to ensure continuous service and network expansion.

The oil and gas logistics segment is utilized for the movement of crude oil, natural gas, and related products. It requires specialized transportation methods like pipelines, tankers, and trucks and faces unique challenges like handling volatile materials and operating in remote and often harsh environments.

Breakup by Region:

- Asia Pacific
- Europe
- North America
- Latin America
- Middle East and Africa

Asia Pacific leads the market, accounting for the largest logistics market share

The Asia Pacific region holds the largest market, fueled by increasing industrialization, urbanization, and an expanding e-commerce sector. Moreover, the significant manufacturing base in the region, which necessitates efficient logistics for domestic and international trade, is catalyzing the market growth. Additionally, the presence of leading logistic companies in the region, coupled with the increasing focus on sustainability and efficient logistics practices is strengthening the market growth. Moreover, the imposition of supportive policies by regional governments promoting eco-friendly logistics practices is positively influencing the market growth.

The logistics market in North America is driven by the region's well-established infrastructure, advanced technological integration, and strong e-commerce sector. Furthermore, the adoption of robust supply chain management solutions and innovative approaches, such as automated warehousing and advanced fleet management systems, is catalyzing the market growth.

Europe's logistics sector is characterized by a well-developed transportation infrastructure, stringent regulatory standards, and a focus on sustainability. The region benefits from its strategic geographic location, serving as a central hub for trade between many countries.



The logistics market in Latin America is evolving, driven by increasing industrial activities, a growing middle class, and improvements in trade agreements. Moreover, the rising investment in infrastructure development and technology integration to enhance its logistics capabilities and integrate more effectively into the global supply chain is also boosting the market growth.

The Middle East and Africa (MEA) region shows potential for substantial growth in the logistics sector due to its strategic geographic position and significant investments in logistics infrastructure. In addition to this, the increasing trade activities, urbanization, and infrastructure development projects in the region are fostering market growth.

Leading Key Players in the Logistics Industry:

The leading players are actively engaging in strategic expansions, technological advancements, and collaborations to enhance their market presence and operational efficiency. Moreover, some companies are investing heavily in digital transformation initiatives, incorporating technologies like artificial intelligence (AI), the Internet of Things (IoT), and blockchain to improve supply chain visibility, forecasting accuracy, and overall efficiency. Besides this, they are focusing on sustainability, adopting green logistics practices, such as using electric vehicles (EVs) and optimizing routes for reduced carbon emissions. Along with offerings and providers are forming strategic partnerships and acquisitions to expand their geographic reach, diversify their service offerings, and enhance their customer base.

(Source: [Logistics Market Outlook 2023, Size, Industry Report 2032 \(imarcgroup.com\)](#))

Indian Logistics Industry

Market Overview:

The India logistics market size reached US\$ 282.3 Billion in 2023. Looking forward, the market is expected to reach US\$ 557.4 Billion by 2032, exhibiting a growth rate (CAGR) of 7.85% during 2024-2032. The significant expansion in the e-commerce and online retail industry, the implementation of favorable government policies encouraging the adoption of logistics services, and emerging technological advancements are some of the major factors contributing to the market growth.

Logistics is a vital component of modern business operations that encompasses the management, planning, and execution of the flow of goods, information, and resources from the point of origin to the final destination. It optimizes the efficient storage and movement of goods, services, and information, all customized to satisfy customer demands in a cost-effective manner. It includes limited to order fulfillment, fleet and inventory management, warehousing, handling of materials, and inbound and outbound transportation. It is essential in overseeing and tracing data pertaining to space utilization, work schedules, order placements, and the successful delivery of diverse products. It also serves to enhance inventory control, customer service, the secure transit of voluminous packaging while preventing damage or spillage, expedited product deliveries, and the efficient transfer of large quantities of goods.

The market is primarily driven by the growing e-commerce sector. In addition, the increasing number of online retail transactions is escalating demand for efficient last-mile delivery services for optimizing digital commerce operations, thus influencing market growth. Moreover, the introduction of user-friendly return and refund policies by diverse e-commerce platforms is escalating the demand for reverse logistics, supported by flexible



services such as tracking capabilities, which represents another major growth-inducing factor. Besides this, leading players are using advanced technology solutions, including real-time tracking, predictive analytics, and sophisticated functionalities, to streamline supply chains and cater to evolving customer demands, thus propelling market growth. Along with this, the widespread adoption of eco-friendly logistics solutions, the rise of trade agreements, and increased consumer spending power are accelerating market growth. Furthermore, the integration of advanced technologies such as biometrics, global positioning system (GPS), and autonomous vehicles with logistics systems are providing a positive thrust to the market growth.

India Logistics Market Trends/Drivers:

The significant expansion in the e-commerce industry

The growing population, rising disposable income, and the increasing number of online shopping activities are influencing market growth. Additionally, the emergence of specialized e-commerce logistics services led to the establishment of dedicated distribution centers and fulfillment hubs strategically positioned to accommodate the influx of online orders thus contributing to the market growth. It uses advanced automation technologies, such as robotic sorting systems and AI-powered inventory management, to optimize warehousing processes and ensure speedy order processing. Moreover, the e-commerce industry is investing in technology-driven logistics solutions representing another major growth-inducing factor. Along with this, real-time tracking of shipments, automated warehouses that can autonomously manage inventory, and advanced route optimization algorithms are integral to logistics operations thus propelling the market growth. These innovations enhance operational efficiency, and reduce delivery times, leading to enhanced customer satisfaction and loyalty.

The implementation of favorable government policies

The implementation of favorable policies such as Make in India and Digital India is creating an environment conducive to logistics advancements, thus influencing market growth. Additionally, the growing emphasis on improving infrastructure, including roads, railways, and ports to improve transportation efficiency and connectivity, and reduce transit times and costs for logistics operations are contributing to the market growth. Moreover, the introduction of the goods and services tax (GST) significantly streamlined the tax structure, replacing a complex web of taxes that dismantled inter-state barriers, allowing for smoother movement of goods across the country which represents another major growth-inducing factor. It has led to more efficient supply chain routes, optimized warehousing locations, and minimized the need for complex tax compliance procedures. Along with this, these government efforts are attracting foreign investments, technology collaborations, and innovations within the logistics sector, thus propelling market growth.

India Logistics Industry Segmentation:

Breakup by Model Type:

- 2 PL
- 3 PL
- 4 PL

3PL represents the most popular model type

Third-Party Logistics (3PL) is a model in which companies outsource logistics and supply chain management



functions to specialized service providers which is gaining substantial traction due to its multifaceted advantages, thus contributing to the market growth.

Moreover, 3PL providers offer a comprehensive suite of services encompassing transportation, warehousing, inventory management, distribution, and value-added services. This holistic approach streamlines operations for businesses, allowing them to focus on core competencies while entrusting logistics expertise to specialized partners.

Furthermore, the dynamic nature of India's business environment, characterized by rapid market fluctuations and evolving consumer demands, aligns well with the agility of 3PL providers, who adapt swiftly to changing requirements, providing scalable solutions that cater to seasonal variations, market trends, and emerging opportunities.

Breakup by Transportation Mode:

- Roadways
- Seaways
- Railways
- Airways

Roadways presently account for the largest market share

Roadways provide the flexibility to navigate intricate routes, ensuring door-to-door delivery and catering to the unique demands of different industries their adaptability to transport numerous cargo, from perishables to bulk commodities is influencing the market growth.

Additionally, the Indian road transport system supports last-mile delivery, an essential component of e-commerce and retail operations the exponential growth of online shopping and the rising demand for swift deliveries to customers' doorsteps are augmenting the market growth. Besides this, government initiatives, such as the development of national highways and the modernization of road infrastructure enhance connectivity, reduce transit times, and improve the efficiency of cargo movement which is propelling the market growth.

Furthermore, other transportation modes such as railways and waterways hold their significance, while the flexibility, accessibility, and reliability of roadways make them the linchpin of the Indian logistics ecosystem, thus providing a positive thrust to the market growth.

Breakup by End Use:

- Manufacturing
- Consumer Goods
- Retail
- Food and Beverages
- IT Hardware
- Healthcare
- Chemicals
- Construction
- Automotive



- Telecom
- Oil and Gas
- Others

Manufacturing holds the largest share in the market.

The manufacturing sector is driven by robust production activities, encompassing numerous industries such as automotive, electronics, pharmaceuticals, textiles, and consumer goods are influencing the market growth.

Moreover, the Make in India initiative, aimed at improving domestic manufacturing, is increasing production capacities and expanding operations across numerous industries which represents another major growth-inducing factor. Along with this, the growing manufacturing activities require agile and sophisticated logistics operations to facilitate smooth procurement, distribution, and market penetration, thus propelling market growth.

Furthermore, the manufacturing sector's reliance on just-in-time production methods further underscores the need for precision and timeliness in logistics, while lean inventory practices call for synchronized and efficient transportation, minimizing inventory holding costs while ensuring uninterrupted production cycles are contributing to the market growth.

Breakup by Region:

- North India
- West and Central India
- South India
- East India

West and Central India exhibits a clear dominance in the market.

The West and Central India market is primarily driven by increasing domestic and international trades across the country. In addition, states such as Maharashtra and Gujarat are major industrial and commercial centers, fostering robust demand for logistics services, thus influencing market growth.

Moreover, a well-developed infrastructure that supports the efficient movement of goods, connecting northern and southern regions states, such as Madhya Pradesh and Chhattisgarh, represent another major growth-inducing factor. Along with this, the rising demand for logistics solutions to connect major cities and its emerging status as an e-commerce distribution hub are propelling the market growth.

Furthermore, the implementation of government initiatives, such as the development of the Delhi-Mumbai Industrial Corridor (DMIC) and the Western Dedicated Freight Corridor (WDFC), enhances transportation infrastructure in these regions, contributing to their logistics prowess.

Competitive Landscape:

Nowadays, key players in the market are employing a diverse range of strategies to fortify their positions and harness the industry's growth potential. In addition, logistics companies are embracing technology to enhance their operational efficiency and customer experience. *They* are adopting advanced tracking and monitoring



systems, implementing IoT solutions for real-time visibility, and leveraging data analytics to optimize routes, reduce transit times, and enhance overall supply chain management. Moreover, companies are offering tailored logistics solutions to cater to diverse industry needs from specialized temperature-controlled transportation for perishables to specialized handling for high-value goods, customization ensures better alignment with clients' requirements. Besides this, key players are focusing on customer satisfaction, and providing seamless tracking, transparent communication, and flexible delivery options.

(Source: [India Logistics Market Size, Share, Industry Growth 2024-2032 \(imarcgroup.com\)](https://www.imarcgroup.com/india-logistics-market-size-share-industry-growth-2024-2032))



OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in Equity Shares, Shareholders should read this entire Draft Red Herring Prospectus. An investment in Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 27 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 219, 250 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

OUR BUSINESS OVERVIEW

Our Company was incorporated as a Private Limited Company under the name of “Pranik Logistics Private Limited” under the Companies Act, 2013 vide certificate of incorporation dated February 24, 2015, issued by Registrar of Companies, Kolkata, bearing CIN U60231WB2015PTC205412. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on January 15, 2024 and the name of our Company was changed from “Pranik Logistics Private Limited” to “Pranik Logistics Limited” & Registrar of Companies, Kolkata has issued a new certificate of incorporation consequent upon conversion dated March 07, 2024, bearing CIN U60231WB2015PLC205412.

Our company is engaged as carrying and forwarding agent providing end-to-end Logistics solutions i.e. from the point of origin to the point of consumption, in order to meet the needs of our customers and corporations. We are a pan India logistics provider, acting as carrying and forwarding agent and providing integrated services including transportation, warehousing, material handling and freight forwarding to our customers belonging to various industries such as Automotive, Engineering, Construction, Customer durables, Retail, Textile etc.

Since our establishment in 2015, we have over the period expanded the ambit of our services. We offer customized services as per the requirements of our customers. We have a dedicated team of employees and agents, who manage the entire supply chain effectively and efficiently.

As on the date of this Draft Red Herring Prospectus, we manage a fleet of commercial vehicles, comprising more than 80 vehicles that we own, and any further requirement is managed through leasing the vehicles on trip-to-trip basis. Our fleet encompasses various types of trucks categorized by design, size, and capacity. Our Container Trucks are utilized for parcel transportation, while Platform Trucks handle heavy-duty goods like automotive parts and machinery. For detailed information on the different vehicle categories within our fleet, please see "Our Fleet Strength" on page 163 of this Draft Red Herring Prospectus. The diversity of our transportation vehicles allows us to cater to a wide range of consignments. Further, as on the date of this Draft Red Herring Prospectus, we operate a total of 30 warehouses, which are directly managed by our company. For detailed information on the warehouses of the company, please refer to page 157 of this Draft Red Herring Prospectus.

The technological systems that our company uses for managing the logistics operations are provided by our clients that enable us to improve our service quality, consistency and increase our operating efficiency. Our accounting systems also enable us to implement stringent financial controls.



We have obtained certifications from FSSAI for facilitating the delivery of perishable goods. We believe that adopting and employing global standards will attract more customers to our Company.

OUR SOURCES OF REVENUE:

Our company derive our revenue from operations from various sources which are given below:

| | |
|---------------------------------------|--|
| Carrying and forwarding agents | Revenue generated from providing End to end logistics solutions i.e., acting as carrying and forwarding agents integrating warehousing and transportation services. |
| Godown rent | Revenue generated from sub- leasing our certain warehouses/ vacant spaces within our existing warehouses. |
| Manpower charges | Revenue generated form providing manpower resources at our client's warehouse locations, etc. |
| Storage and warehouses charges | Revenue generated from our independent warehousing services to our clients. |
| SPA income | Revenue from Selling and promotion activities where earnings are determined based on a fixed tonnage of sales allocated by the client for the vendors. The revenue generated from this source is allocated towards organizing events like Holi or Diwali gatherings and other dealer meetings. Additionally, it is utilized for gifting dealers/ vendors on occasions such as weddings. This revenue is typically spent with minimal margins and is considered a value-added service provided to the companies involved. |

Our offerings include the following:

1. C&F (Carrying & Forwarding Solutions):

Our core offerings include acting as Carrying & Forwarding Agents to clients. Our service includes receiving goods from client locations/ warehouses/ railway sidings, etc., unloading and inspecting them and transporting those goods to our warehouses. Thereafter, we store these goods in our warehouses, addressing all potential challenges. Subsequently, we ensure timely dispatch of the goods to their designated destinations as per our clients' requirements.

In essence, we manage the entire process of receiving, storing, and delivering goods, offering comprehensive logistics support tailored to meet our clients' needs.

Our company acting as carrying and forwarding agents provides warehousing and transportation services to our clients:

1.1. Warehousing Solutions:

Our warehousing solutions includes inventory control, order management, and storage management services. We manage warehouse spaces at multiple locations across the country. Moreover, we optimize the operations of our clients' existing warehouses to enhance efficiency and effectiveness. Our warehouses are located PAN India with a strong presence in west like West Bengal, Bihar, Jharkhand, Gujarat, Cuttak, etc. For details regarding our warehouses, please refer to page 157 of this Draft Red Herring Prospectus.



It is important to note that the technology that we are currently using to provide the above services or for transportation management, warehousing management and inventory management services are provided by our clients and we currently do not own any technology for our business operations.

1.2. Transportation Solutions:

We provide First phase, Second phase, Last phase & Reverse Logistics services under our transportation solutions. Our Company cater to transportation requirement across the country. Additionally, our company provides transportation management services designed to optimize and streamline operational processes. This includes strategic functionalities such as route planning, load optimization, carrier selection, shipment tracking, and performance analysis. With a commitment to efficiency, cost-effectiveness, and timely delivery, our Transportation Management System (TMS) ensures customer satisfaction throughout the entirety of the transportation process, from order initiation to final delivery.

We also provide last-mile delivery services to border areas with limited access of resources. We recognize the unique obstacles inherent in delivering goods to these remote regions, including challenging terrain, inadequate infrastructure, and regulatory complexities.

Apart from end to end “carrying and forwarding solutions”, we also provide independent customized warehousing and transportation solutions to our clients.

OUR PRESENCE

Our company is based in Kolkata and has its wings spread across India. We have implemented our Logistics & Warehousing solutions over 13 states of India in various sectors including construction, textile, retail, hospitality, agriculture, health, etc. For detailed information, please refer to the “Geographical wise revenue break- up on page 166 of the Draft Red Herring Prospectus.



| | |
|-----------------|------------------|
| 📍 Rajasthan | 📍 Odisha |
| 📍 Gujarat | 📍 Assam |
| 📍 Uttar Pradesh | 📍 Maharashtra |
| 📍 Bihar | 📍 Karnataka |
| 📍 Jharkhand | 📍 Tamil-Nadu |
| 📍 West-Bengal | 📍 Andhra Pradesh |
| 📍 Chhattisgarh | |



ABOUT THE PROMOTER OF THE COMPANY

Pranav Kumar Sonthalia

Mr. Pranav Kumar Sonthalia, aged 29 years, is the Founder, Promoter and Managing Director of the Company. He is a graduate from the University of Calcutta, and he also has a postgraduate degree in Family Managed Business from SPJIMR, Bharatiya Vidya Bhawan. He has an experience of almost 9 years in the Logistics and Transportation industries. He kickstarted his career by founding Pranik Logistics Private Limited and has been at the helm of operation since the beginning, along with being involved in the planning and implementing of budgets, strategic initiatives, and employee training programs. Currently he is heading the business operations and marketing team.

Shradha Kumari

Ms. Shradha Kumari, aged 23 years, is the promoter and Executive Director of the Company. She has been appointed as Executive Director on May 25, 2024. She completed her Bachelors in retail management from St. Xavier's College, Ranchi in the year 2023. She has an experience of almost 5 years in the logistics industry. She is looking after the overall management and operational efficiency of the Company.

Minal Sonthalia

Ms. Minal Sonthalia, aged 27 years, is the promoter and Non-Executive Non-Independent Director of our Company. She has been appointed as Non-Executive Director of our Company on January 8, 2024. She completed her Bachelor of Education from Singhania University in the year 2020 and her Master of Commerce from IGNOU in the year 2021. She has an experience of almost 3 years in the logistics industry. Her role involves analysis of industry trends and assisting the board in making equitable decisions.

OUR COMPANY MISSION AND VISION

VISION:

To make the most innovative Supply Chain Management Services Company, focused on highest value creation for its customers.

MISSION:

We Strive to Provide our clients with the best of services customized to meet their unique needs through effective collaboration, management and optimization of integrated value chain.

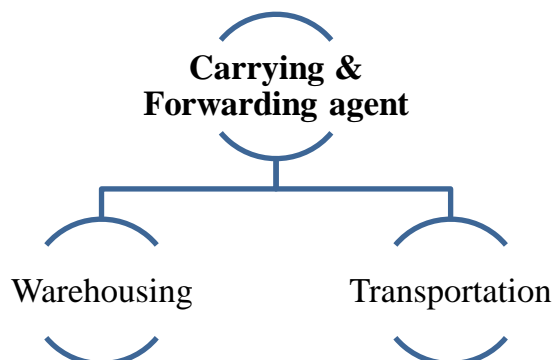
CARRYING AND FORWARDING:

Our core offering includes acting as Carrying & Forwarding Agents to our clients. Our primary responsibility involves receiving goods from customer locations, warehouses, railway sidings, etc. We then undertake the task of unloading and handling these goods and thereafter transporting them to our warehouses. Once stored, we manage the inventory, ensuring accurate tracking and management of stock levels. Additionally, we fulfill orders promptly by transporting goods to dealers based on verified orders provided by the company. We provide end-to-end services to our clients i.e., receiving the goods, unloading the goods and transporting them to our warehouses, storing and managing the goods/inventory and finally delivering them to the end customers.



By leveraging our experience in transportation and warehousing management, we ensure seamless operations and efficient distribution of our client's products, contributing to their supply chain success.

What we offer as Carrying & Forwarding agent:



- **Receiving and unloading of goods:** The process begins with receiving the goods from clients' locations, warehouses, railway wagons, etc.. Upon arrival, the goods are carefully unloaded and placed in a separate area where the goods await inspection.
- **Unloading and Inspection of goods:** The goods are thoroughly checked to ensure the accuracy of the shipment, including its quantity, quality, and any potential damage.

Our Transportation operations (1st phase) begin at this stage:

- **Transportation to warehouse:** After inspecting the goods, they are then transported to the designated warehouses where they are stored.

For detailed explanation regarding our transportation operations, please refer to the heading "transportation" in the chapter titled "Our Business" on page 159 of this Draft Red Herring Prospectus.

Our Warehousing operations begins at this stage:

- **Storage and Inventory management:** Items are stored in designated locations within the warehouse. Inventory management systems track the movement of goods, stock levels, and expiry dates (if applicable). Also, regular checking is conducted to ensure the accuracy of the information.

For detailed explanation regarding our warehousing operations, please refer to the heading "warehousing" in the chapter titled "Our Business" on page 151 of this Draft Red Herring Prospectus.

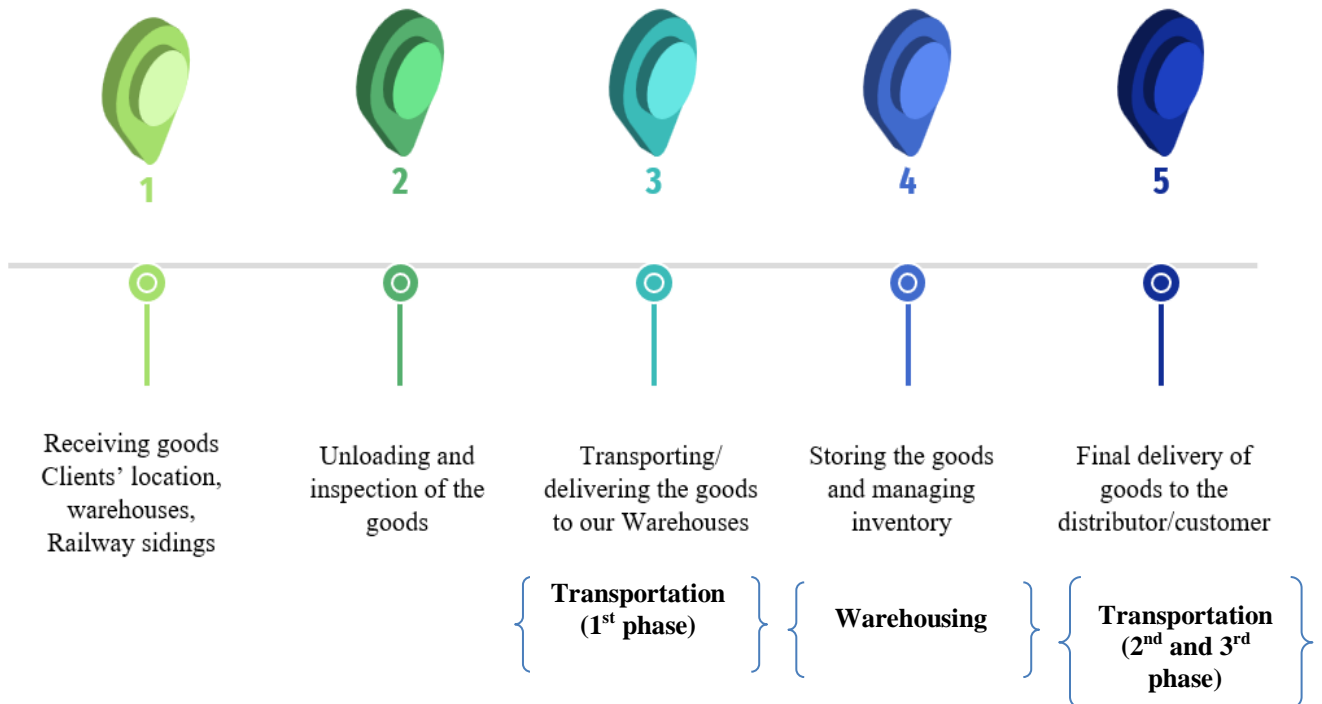
Our Transportation operations (2nd and last phase) begin at this stage:

- **Order from Client:** The process begins with the receipt of transportation order or requests from clients. These orders typically include details such as the type of goods to be transported, the origin and destination addresses, desired delivery timelines, and any special instructions or requirements.



- **Delivering to the final customers:** The goods are then delivered to the final customer.

For detailed explanation regarding our transportation operations, please refer to the heading “transportation” in the chapter titled “Our Business” on page 159 of this Draft Red Herring Prospectus.



For detailed explanation regarding our warehousing and transportation operations, please refer to the heading “warehousing” and “transportation” on page 156 of this Draft Red Herring Prospectus.

1. Warehousing

Our warehousing operations span across various locations in India, where we oversee warehouse facilities tailored to specific requirements. We efficiently manage these diverse warehouse setups to meet our clients' needs effectively.

We provide warehouse management solutions to our clients. We also optimize the functionality of our clients' existing warehouses. By leveraging our knowledge and experience, we enhance the efficiency of their storage and distribution processes, ensuring maximum utilization of space and resources. This approach allows us to drive operational excellence and deliver value-added services tailored to our clients' unique operational contexts.

What we offer under our Warehousing operations:

1. **Storage Management:** Our expertise lies in optimizing storage space, ensuring efficient in-store movement, and configuring load settings to maximize capacity utilization. We focus on enhancing efficiency and flexibility in storage solutions.



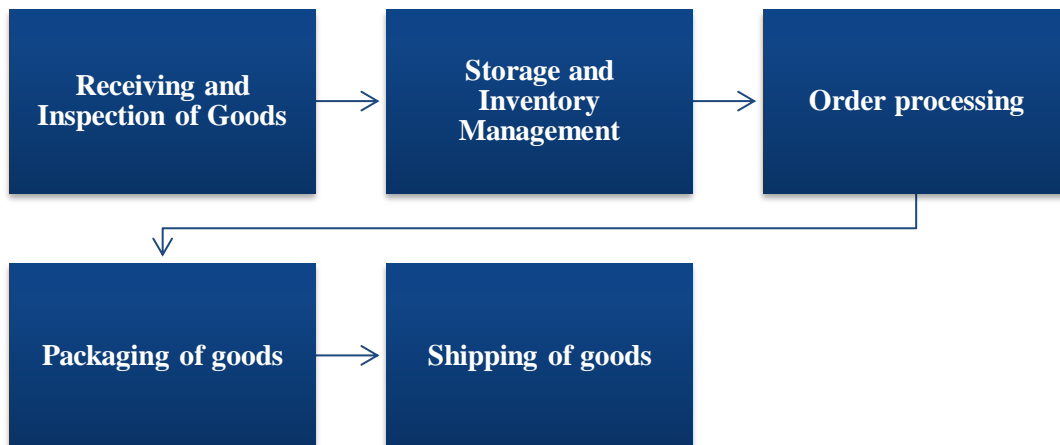
2. **Inventory Control:** With the Warehouse Management System (WMS), we provide meticulous item-wise or location-wise inventory control. Our system offers traceability, recall capability, aging analysis, and perpetual cycle count functionalities, enabling precise inventory management.
3. **Order Management:** Leveraging barcode-based location and item management, we ensure timely and accurate order fulfillment. Our efficient order management system is designed to streamline operations and enhance customer satisfaction.
4. **Smart Packaging solutions / Article Tagging/ Quality Check:** We offer smart, customized packaging solutions, article tagging services, and rigorous quality checks to maintain product integrity and quality standards throughout the warehousing process.
5. **Smart Warehousing facilities:** Our warehouses are equipped with the technology, enabling efficiency and productivity. Through our software and technology, we deliver value-added services to our clients. Currently the technology we are using for managing the inventory of our client and warehouse is provided by our client.
6. **Operations PAN India:** We have extensive presence across India and strategically positioned warehouses and distribution centers throughout the country. This expansive network enables us to offer comprehensive storage solutions to clients nationwide, ensuring efficient inventory management, timely order fulfillment, and optimized distribution channels. As on the date of this Draft Red Herring Prospectus, we operate a total of 30 warehouses, which are taken on lease by the company. The details of our warehouses are given below:

| S. No. | Warehouse Location | Sq. Ft. |
|--------|-----------------------------------|---------|
| 1. | Deoghar, Jharkhand | 1250 |
| 2. | Kharagpur Chowringee, West Bengal | 500 |
| 3. | Ranipool, Sikkim | 600 |
| 4. | Darjeeling, West Bengal | 300 |
| 5. | Sonarpur, Kolkata | 2266 |
| 6. | Kolkata, West Bengal | 5300 |
| 7. | Balangir, Odisha | 800 |
| 8. | Alipurduar, West Bengal | 430 |
| 9. | Dhanbad, Jharkhand | 2500 |
| 10. | Ahmedabad, Gujarat | 100000 |
| 11. | Patna, Bihar | 9000 |
| 12. | Kolkata, West Bengal | 5300 |
| 13. | Bhiwandi, Maharashtra | 7061 |
| 14. | Koderma, Jharkhand | 10000 |
| 15. | Koderma, Jharkhand | 2750 |
| 16. | Koderma, Jharkhand | 9150 |
| 17. | Koderma, Jharkhand | 8200 |
| 18. | Deoghar, Jharkhand | 3250 |
| 19. | Deoghar, Jharkhand | 2700 |
| 20. | Deoghar, Jharkhand | 1500 |
| 21. | Deoghar, Jharkhand | 10710 |



| | | |
|-----|----------------------|-------|
| 22. | Deoghar, Jharkhand | 6500 |
| 23. | Deoghar, Jharkhand | 3250 |
| 24. | Bhanpur, Cuttak | 4000 |
| 25. | Hazaribag, Jharkhand | 2915 |
| 26. | Koderma, Jharkhand | 360 |
| 27. | Khurda, Odisha | 2000 |
| 28. | Hooghly, West Bengal | 12855 |
| 29. | Palam, Delhi | 1000 |
| 30. | Narghat, West Bengal | 1275 |

Business Process under our warehousing operations:



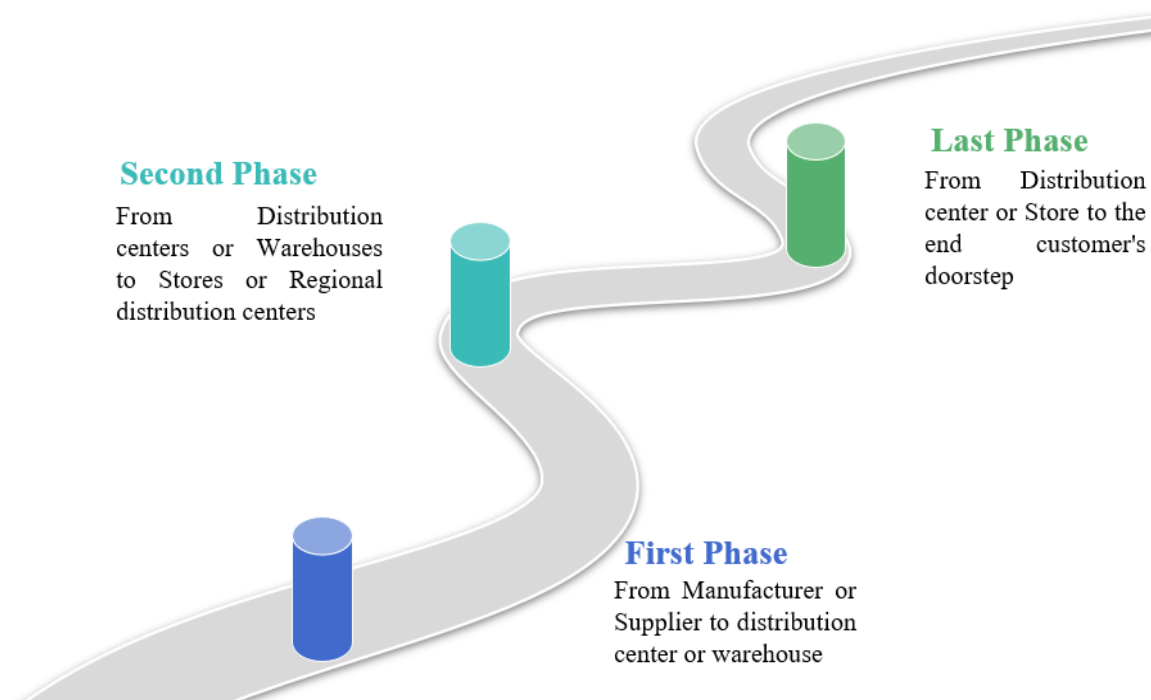
- **Receiving and Inspection of goods:** The process initiates with the reception of goods sourced from suppliers or manufacturers. Upon arrival, thorough checks are conducted to ensure the accuracy of the shipment, including its quantity, quality, and any potential damage.
- **Storage and Inventory management:** Items are stored in designated locations within the warehouse. Inventory management systems track the movement of goods, stock levels, and expiry dates (if applicable). Also, regular checking is conducted to ensure the accuracy of the information. Currently the technology we are using for managing the inventory of our client and warehouse is provided by our client.
- **Order Processing:** Orders are picked from the warehouse shelves according to the requested items and quantities. Also, Orders from customers are received through various channels (online, phone, etc.).
- **Packaging of goods:** Picked items are packed securely, considering the nature of the product and shipping requirements. Shipping labels and documentation are prepared.
- **Shipping of goods:** Coordinated efforts ensure seamless arrangements with carriers for the timely dispatch and delivery of shipments.



2. Transportation

We offer comprehensive solutions spanning the entire logistics journey, encompassing crucial stages such as the First phase, second phase, and Last phase. This represents key phases in the transportation process, each playing a vital role in ensuring efficient and seamless delivery of goods.

Additionally, our services extend to encompass reverse logistics solutions, enhancing our transportation offerings. Through reverse logistics, we facilitate the efficient management of product returns, recycling, and disposal processes, thereby completing the logistical loop and ensuring sustainability and customer satisfaction.



First Phase: This is the initial stage of the transportation process, where the goods are collected or picked up from their point of origin, typically from the manufacturer or supplier and moved to the next point in the supply chain, such as a distribution center or warehouse. It involves various activities such as loading, sorting, and consolidating shipments for onward transportation. Efficient management of the First phase is essential for minimizing delays, reducing costs, and optimizing overall supply chain operations.

Second phase: The second phase is the intermediate phase of the transportation journey between the First phase (origin) and the last phase (final destination). It involves the transportation of goods from distribution centers or warehouses to stores or regional distribution centers closer to the end customer. Efficient management of the second phase is essential for maintaining the flow of goods within the supply chain, optimizing transportation routes, and minimizing transit times and costs.

Last phase: The Last phase of the transportation journey, where goods are delivered from a distribution center or Store to the end customer's doorstep or specified delivery location. Efficient management of the Last phase is essential for meeting customer expectations regarding delivery speed, flexibility, and convenience.



Additionally, our company also provides last mile delivery services to border areas with limited access of resources. We recognize the unique obstacles inherent in delivering goods to these remote regions, including challenging terrain, inadequate infrastructure, and regulatory complexities.

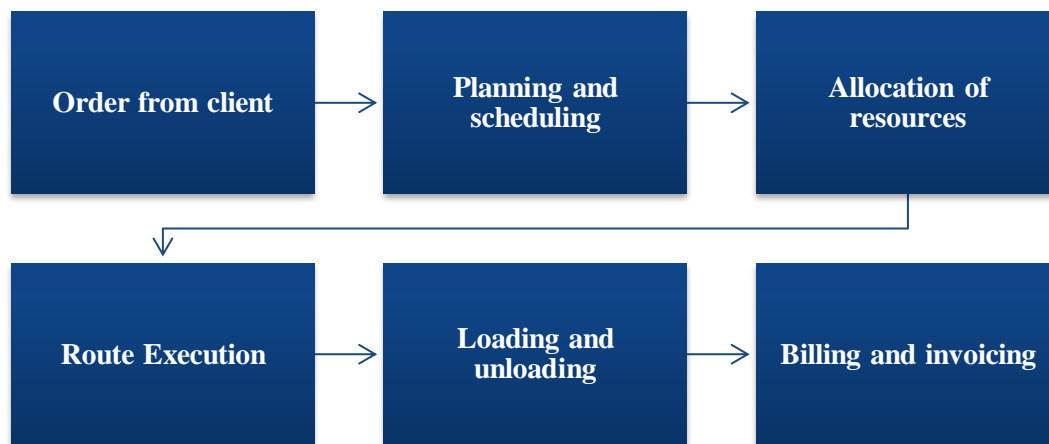
We also provide transportation management solutions which includes various features such as route planning, load optimization, carrier selection, shipment tracking, and performance analysis. Our fully integrated system includes services like automated reporting, Electronic POD management for last-phase customers, and Live tracking of vehicles through high-performing GPS. With a commitment to efficiency, cost-effectiveness, and timely and safe delivery. Our Transportation Management System (TMS) ensures customer satisfaction throughout the entirety of the transportation process, from order initiation to final delivery. Our scale of operation and technological advancement ensures the efficiency and time bound process at all the stages of our business operations.

What we offer under our Transportation operations:

1. **Long haul transportation:** We offer seamless and hassle-free solutions for long-distance transportation needs. From handling extensive long-haul routes to ensuring efficient last-phase deliveries, we provide end-to-end services tailored to meet diverse logistical requirements.
2. **Reverse logistics:** We also provide comprehensive reverse logistics solutions for our clients. This includes managing product returns from end customers, streamlining the process to optimize efficiency, and effectively handling returned goods to minimize disruptions in the supply chain.
3. **Route Planning:** Our transportation services feature customized route planning and network optimization. By leveraging the technologies and industry expertise, we ensure safe, secure, and timely delivery of goods while optimizing routes to enhance overall efficiency.
4. **Last phase of distribution:** Our capabilities extend to the crucial last phase of delivery, ensuring that goods reach their final destination promptly and reliably. With a focus on customer satisfaction, we employ efficient distribution strategies to meet the unique demands of each delivery location.
5. **Finished goods yard management:** In this we provide end to end management solution, from the collection, inspection, storage, maintenance, supervision and hand-over, along with value-added services for quality control, damage repair, efficient space utilization, and effective cost management amongst others.
6. **Operations across India:** With strategically located warehouses across India, including large multi-brand stockyards in key locations, we ensure nationwide coverage and flexibility in our operations. This extensive network enables us to provide scalable solutions that meet the dynamic needs of our clients across the country.



Business Process under our transportation operations:



- **Order from Client:** The process begins with the receipt of transportation order or requests from clients. These orders typically include details such as the type of goods to be transported, the origin and destination addresses, desired delivery timelines, and any special instructions or requirements.
- **Planning and scheduling:** This involves creating a comprehensive plan for the transportation or delivery process. It includes determining the best routes, scheduling pick-up and drop-off times, and organizing the logistics to ensure efficient and timely delivery. Planning and scheduling also involve considering factors such as traffic conditions, weather forecasts, and any special requirements or constraints.
- **Allocation of resources:** This step involves the assignment of the necessary resources, such as vehicles, drivers, equipment, and personnel, to carry out the transportation tasks effectively. It involves optimizing resource utilization to maximize efficiency and minimize costs.
- **Route Execution:** Once the routes are planned and resources are allocated, route execution involves carrying out the transportation activities according to the plan. This includes loading goods onto vehicles, following designated routes, and delivering goods to their intended destinations.
- **Loading and unloading:** Loading and unloading are critical steps in the transportation process, involving the careful handling of goods to ensure they are safely loaded onto vehicles at the origin and unloaded at the destination. This includes properly securing goods to prevent damage during transit, as well as efficiently loading and unloading to minimize turnaround times and maximize productivity.
- **Billing and invoicing:** Billing and invoicing are essential for ensuring accurate and timely payment for transportation services rendered. This involves generating invoices for clients based on agreed-upon rates or pricing structures, documenting services provided, and reconciling any discrepancies or disputes that may arise.

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OUR FLEET STRENGTH

As on the date of this Draft Red Herring Prospectus, our fleets include 86 owned vehicles, and any further requirements are outsourced either on lease or on trip-to-trip basis. The Category wise bifurcation of our vehicles is given as under:

| S. No. | Particulars | Small Vehicles ⁽¹⁾ | Light Commercial Vehicles ⁽²⁾ | Heavy Commercial Vehicles ⁽³⁾ |
|--------|-------------|-------------------------------|--|--|
| 1. | Owned | 53 | 12 | 21 |

(1) Small Vehicles= upto 1000 Kgs Payload

(2) Light Commercial Vehicles=1001-1500 Kgs Payload

(3) Heavy Commercial Vehicles=2000+ Kgs Payload

Following is the detailed list of our owned fleet:

| Our Owned Vehicles | | | |
|--------------------|------------|-----------|-------------------|
| Sl. No | Vehicle No | Veh. Type | Chassis No |
| 1 | WB19J5617 | Tata Ace | MAT445238JZD25250 |
| 2 | WB19J5621 | Tata Ace | MAT445238JZD25001 |
| 3 | WB19J6239 | Tata Ace | MAT445238JZD24995 |
| 4 | JH01CX6141 | Tata Ace | MAT445238JZA04259 |
| 5 | JH01CY2696 | Tata Ace | MAT445238JBV09950 |
| 6 | WB07J9997 | Tata Ace | MAT559015MYK43642 |
| 7 | WB07J9972 | Tata Ace | MAT559015MVK52501 |
| 8 | WB07J9961 | Tata Ace | MAT559015MYK43975 |
| 9 | WB07J9960 | Tata Ace | MAT559015MVK51873 |
| 10 | WB07J9985 | Tata Ace | MAT559015MVK52502 |
| 11 | WB07J9991 | Tata Ace | MAT559015MVK52503 |
| 12 | WB07J9954 | Tata Ace | MAT559015MYK43644 |
| 13 | WB07J9973 | Tata Ace | MAT559015MVK51864 |
| 14 | WB07J9967 | Tata Ace | MAT559015MYK43976 |
| 15 | WB07K0021 | Tata Ace | MAT559029MYP57129 |
| 16 | WB07K0027 | Tata Ace | MAT559029NYA02403 |
| 17 | WB07K0031 | Tata Ace | MAT559029NZA01208 |
| 18 | WB07K0033 | Tata Ace | MAT559029NZA01250 |
| 19 | WB07K0043 | Tata Ace | MAT559029MVP68812 |
| 20 | WB07K0045 | Tata Ace | MAT559029NZA01243 |
| 21 | WB07K0048 | Tata Ace | MAT559029NZA01237 |
| 22 | WB07K0049 | Tata Ace | MAT559029NYA02512 |
| 23 | WB07K0050 | Tata Ace | MAT559029NZA01276 |
| 24 | WB07J9962 | Tata Ace | MAT559015MVK51857 |
| 25 | WB07J9974 | Tata Ace | MAT559015MVK51852 |
| 26 | WB07K0061 | Tata Ace | MAT559029NVC16639 |
| 27 | WB07K0066 | Tata Ace | MAT559029NVC16570 |
| 28 | WB07K0073 | Tata Ace | MAT559029NVC07012 |
| 29 | WB07K0089 | Tata Ace | MAT559029NVC16683 |
| 30 | WB07K0133 | Tata Ace | MAT559029NVC16638 |



| | | | |
|----|------------|---------------|-------------------|
| 31 | BR01GL2993 | Tata Ace | MAT559029NVC16636 |
| 32 | BR01GL2991 | Tata Ace | MAT559029NVC16569 |
| 33 | BR01GL2990 | Tata Ace | MAT559029NVC16579 |
| 34 | BR01GL2989 | Tata Ace | MAT559029NZC07015 |
| 35 | BR01GL2994 | Tata Ace | MAT559029NVC16580 |
| 36 | WB25L0374 | Pickup | MA1ZP2TLKM6G29403 |
| 37 | WB25L0360 | Pickup | MA1ZP2TLKM6H36558 |
| 38 | WB25L3995 | 1512LPT | MAT563010N7G17421 |
| 39 | WB25L3968 | 1512LPT | MAT563010N7G16484 |
| 40 | WB25L3965 | 1512LPT | MAT563010N7G16501 |
| 41 | WB25L3957 | 1512LPT | MAT563010N7G17420 |
| 42 | WB25L3955 | 1512LPT | MAT563010N7G16513 |
| 43 | WB25L4069 | 1112LPT | MAT792033N8K19856 |
| 44 | WB25L4070 | 1112LPT | MAT792033N8J18469 |
| 45 | WB25L4071 | 1112LPT | MAT792033N8J18550 |
| 46 | WB25L4072 | 1112LPT | MAT792033N8J18128 |
| 47 | WB25L4073 | 1112LPT | MAT792033N8H17217 |
| 48 | WB25L4074 | 1112LPT | MAT792033N8J19040 |
| 49 | WB25L4930 | 1112LPT | MAT792033N8K19865 |
| 50 | WB25L4984 | 1112LPT | MAT792033N8K19864 |
| 51 | WB25L4974 | 1112LPT | MAT792033N8K19866 |
| 52 | WB25L4953 | 1112LPT | MAT792033N8K20046 |
| 53 | WB25L4955 | 1112LPT | MAT792033N8K20048 |
| 54 | WB25L4977 | 1112LPT | MAT792033N8K19985 |
| 55 | WB25L4978 | 1112LPT | MAT792033N8K20109 |
| 56 | WB25L4990 | 1112LPT | MAT792033N8K20127 |
| 57 | WB25L4968 | 1112LPT | MAT792033N8K20274 |
| 58 | WB25L5066 | 1112LPT | MAT792033N8K19884 |
| 59 | MH04LQ1545 | Tata Ace Gold | MAT556012PVE25594 |
| 60 | MH04LQ1549 | Tata Ace Gold | MAT556012PVE25616 |
| 61 | MH04LQ1538 | Tata Ace Gold | MAT556012PVE25668 |
| 62 | MH04LQ1547 | Tata Ace Gold | MAT556012PVE25776 |
| 63 | MH04LQ1543 | Tata Ace Gold | MAT556012PVE25788 |
| 64 | MH04LQ1546 | Tata Ace Gold | MAT556012PVE26145 |
| 65 | MH04LQ1537 | Tata Ace Gold | MAT556012PVE25592 |
| 66 | MH04LQ1548 | Tata Ace Gold | MAT556012PVE26159 |
| 67 | MH04LQ1542 | Tata Ace Gold | MAT556012PVE26287 |
| 68 | MH04LQ1541 | Tata Ace Gold | MAT556012PVE26477 |
| 69 | WB25L6805 | Tata Ace Ev | MAT486022PZE12552 |
| 70 | WB25L6833 | Tata Ace Ev | MAT486022PZE12667 |
| 71 | WB25L6804 | Tata Ace Ev | MAT486022PZE12473 |
| 72 | WB25L6803 | Tata Ace Ev | MAT486022PZE12648 |
| 73 | WB25L6826 | Tata Ace Ev | MAT486022PZE12716 |
| 74 | WB25M0752 | Tata Ace Ev | MAT486002PZK27550 |
| 75 | WB25M0759 | Tata Ace Ev | MAT486002PZN30834 |
| 76 | WB25M0762 | Tata Ace Ev | MAT486002PZK27529 |



| | | | |
|----|-----------|---------------|-------------------|
| 77 | WB19M0418 | Bolero Pickup | MA1RE2TTKR6B30328 |
| 78 | WB19M0410 | Bolero Pickup | MA1RE2TTKR6B31577 |
| 79 | WB19M0422 | Bolero Pickup | MA1RE2TTKR6C32432 |
| 80 | WB19M0411 | Bolero Pickup | MA1RE2TTKR6B31397 |
| 81 | WB19M0408 | Bolero Pickup | MA1RE2TTKR6C32608 |
| 82 | WB19M0450 | Bolero Pickup | MA1RE2TTKR6C32276 |
| 83 | WB19M0473 | Bolero Pickup | MA1RE2TTKR6B30789 |
| 84 | WB19M0485 | Bolero Pickup | MA1RE2TTKR6B30418 |
| 85 | WB19M0533 | Bolero Pickup | MA1RE2TTKR6C32581 |
| 86 | WB19M0536 | Bolero Pickup | MA1RE2TTKR6B30685 |

PLACE OF BUSINESS OF THE COMPANY

The details of the place of businesses of our company are as follows:

| S. N. | Particulars | Address | Sq Ft. | Tenure | Lessor |
|-------|-------------------|---|-------------|--|-------------------------------------|
| 1. | Registered Office | P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal - 700091 | 2114 Sq ft. | 3 years from March 01, 2022 | M/s Reproscan India Private Limited |
| 2. | Branch Office | 6th Floor, 605B, Eastern Mall, Tiki Road, Dangratoli Chowk, Ranchi, Jharkhand, 834001 | 1102 Sq ft. | From January L7, 2024 to November 30, 2024 | Mrs. Amita Agarwal |

Note: For detailed information of places of business and other offices please refer “Land & Properties” in section “Our Business” on page no. 151 of this Draft Red Herring Prospectus.

FINANCIAL ACHIEVEMENTS OF THE COMPANY ON THE BASIS OF RESTATED FINANCIALS

(Rupees in Lakhs)

| Particulars | December 31, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|----------------------|-------------------|----------------|----------------|----------------|
| Share Capital | 539.45 | 539.45 | 260.00 | 260.00 |
| Reserves and surplus | 355.08 | 197.18 | 103.96 | 72.42 |
| Net Worth | 894.53 | 736.63 | 363.96 | 332.42 |
| Total Income | 4,749.42 | 6,090.62 | 3,360.96 | 2,076.58 |
| PAT | 157.90 | 93.22 | 31.54 | 17.92 |



CLIENTELE

As our company is growing over the period of time our client base is also growing. We are obliged to ensure that our company is able to cater to such a vast array of clients. Among the long list of our distinguished customers, who has appreciated our work, these are some of our well- known clients:



GEOGRAPHICAL WISE REVENUE BREAKUP ON THE BASIS OF RESTATED FINANCIAL STATEMENTS

The geographical wise revenue breakup of the Company as follows:

(Rupees in Lakhs)

| State | December 31, 2023 | March 2023 | March 2022 | March 2021 |
|-----------------------|-------------------|------------|------------|------------|
| Domestic Sales | | | | |
| West Bengal | 1,926.92 | 2,212.08 | 1,523.15 | 915.18 |
| Jharkhand | 959.55 | 1,031.73 | 914.54 | 937.09 |
| Bihar | 328.85 | 745.60 | 358.63 | 181.03 |
| Orissa | 313.28 | 632.22 | 332.22 | 32.58 |
| Uttar Pradesh | 296.48 | 356.64 | 120.36 | - |
| Maharashtra | 261.79 | 432.59 | 26.24 | - |
| Haryana | 247.87 | 273.42 | 1.22 | - |
| Gujarat | 97.79 | 61.89 | 0.16 | - |
| Kerala | 63.82 | - | - | - |
| Chhattisgarh | 50.33 | 47.07 | - | - |
| Madhya Pradesh | 40.72 | - | - | - |
| Delhi | 38.62 | 48.18 | 26.79 | - |



| | | | | |
|---------------------|-----------------|-----------------|-----------------|-----------------|
| Karnataka | 29.81 | 62.27 | - | - |
| Tamil Nadu | 21.29 | 78.74 | - | - |
| Rajasthan | 16.53 | 22.60 | - | - |
| Telangana | 2.28 | 1.43 | - | - |
| Uttarakhand | 2.15 | 46.24 | - | - |
| Assam | 1.37 | - | - | - |
| Guwahati | - | - | 43.42 | 0.86 |
| Total | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| Export Sales | | | | |
| <i>Nil</i> | | | | |

COMPETITIVE STRENGTH

- *Experienced and Qualified management team*

Our management team is well qualified and plays a pivotal role in the growth of our business and operations. Our Promoters and Management team have more than 15 years of experience, collectively in the logistics industry, and have been instrumental in driving our growth since the inception of our business. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us to deliver high levels of client satisfaction. For details on the qualifications and experience of our senior management team, please refer to section titled “Our Management” beginning on page 191 of this Draft Red Herring Prospectus. We believe the strength and entrepreneurial vision of our Promoter and management has been instrumental in driving our growth and implementing our strategies.

- *Asset-light business model*

We operate our business primarily on the basis of an “asset-light” business model which allows flexibility and scalability in operations and high capital efficiency. This model offers a variety of flexible, scalable, solutions.

An “asset-light” business model also helps us reduce our capital expenditure requirements, mitigate the effects of operational risks relating to maintenance costs and depreciation in addition to reducing the effect of any risks emanating from changes in laws and regulations. As on the date of this Draft Red Herring Prospectus, we own 86 vehicles, and any further requirement is managed through leasing the vehicles on trip-to-trip basis.

The company has outsourced a variable number of vehicles, either through leasing arrangements or on a per-trip basis. However, the exact total number of the same cannot be specified.

For further information regarding “our fleet strength”, please refer to the page 163 of this Draft Red Herring Prospectus.

- *Long-standing client relationships with our clients across multiple verticals.*

Our Company enjoys long-standing relationships with our customers. These long-standing relationships are the result of our commitment to quality, timely delivery, etc. Over the period of a decade, we believe that we have gained invaluable experience in assisting our customers by incorporating the latest technologies, efficiently utilizing our capabilities, equipment’s, and materials, and thereby constantly improving our offerings in order to meet their needs.



- ***Quality Assurance and Standards***

Our Company has obtained a license from FSSAI for facilitating the delivery of perishable goods. We adhere to quality standards as per Industry; hence we get repetitive orders from our customers, which enables us to maintain our brand image in the market.

OUR BUSINESS STRATEGIES

- ***Expansion in our goods transportation network and fleet size***

Our company has established a widespread geographic presence across the nation, mainly in the west. Our expansion strategy aims to further extend our reach into new markets and regions. This strategy is pursued by our team with the objective of tapping into new customer bases, accessing untapped markets, and capitalizing on growth opportunities beyond the company's existing locations.

We continue to expand our pan-India network of branches, agencies and warehouses for our business operations. We intend to add a significant number of branches and warehouses in northern, central and eastern regions of India as well as increase the depth of our existing network in key States. For details, please refer to the chapter titled “Object of the issue” point number “2” i.e., “Capital Expenditure” on page 95 of this Draft Red Herring Prospectus.

- ***Continued improvement in operating efficiencies through technology enhancements***

We seek to invest in technology systems to increase asset productivity, operational efficiencies and strengthen our competitive position. We believe that the technology will continue to play a key role in effectively managing our pan-India operations, maintain strict operational and fiscal controls and continue to enhance customer service levels.

Our company is currently using the software and technology that are provided by our clients to manage transportation, warehouses, inventory and to provide our services to them. We plan to develop in-house systems for better operational control. Our focus is on centralizing operational processes and strengthening controls. This entails implementing integrated GPS tracking systems to curb fuel pilferage, enhancing safety measures, and offering value-added services. Additionally, we'll introduce preventive and predictive maintenance software for our vehicles. For further information regarding technology that we are investing in, please refer to the chapter titled “Object of the Issue” on page 95 of the Draft Red Herring Prospectus.

CERTIFICATIONS/ LICENSE

| S.N. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Valid upto |
|-------------|--------------------------------|---|---|----------------------|--------------------------|
| 01. | Udyam Registration Certificate | Ministry of Micro, Small and Medium Enterprise, GOI | UDYAM-WB-10-0009295 | 19/12/2020 | Valid until cancellation |
| 02. | Shop And Establishment Act, | Registering Authority for Shop and | JL00511N2021000014 | 28/10/2021 | Valid until cancellation |



| | | | | | |
|-----|--|---|------------------|------------|--------------------------|
| | 1963 | establishment west Bengal | | | |
| 03. | Jharkhand Professional Tax | Commercial tax Department | 20620113143 | 27/05/2024 | Valid until cancellation |
| 04. | West Bengal Professional Tax | Kolkata East Range | 192162195321 | 13/07/2023 | Valid until cancellation |
| 05. | Jharkhand Shops and Establishments Act, 1953 | Government Of Jharkhand Dept. Of Labour Employment and Training | SEA1634800108104 | 29/10/2021 | 31/12/2030 |
| 06. | FSSAI | Department of Health and Family Welfare Food Safety and Standards Authority of India License, Government of West Bengal | 12821013000315 | 08/04/2024 | 01/04/2026 |
| 07. | Trade License | Nabadiganta Industrial Township Authority | 005810 | 02/06/2023 | 31/03/2025 |

COLLABORATIONS

As on the date of this Draft Red Herring Prospectus, our company has not entered into any technical or other collaboration.

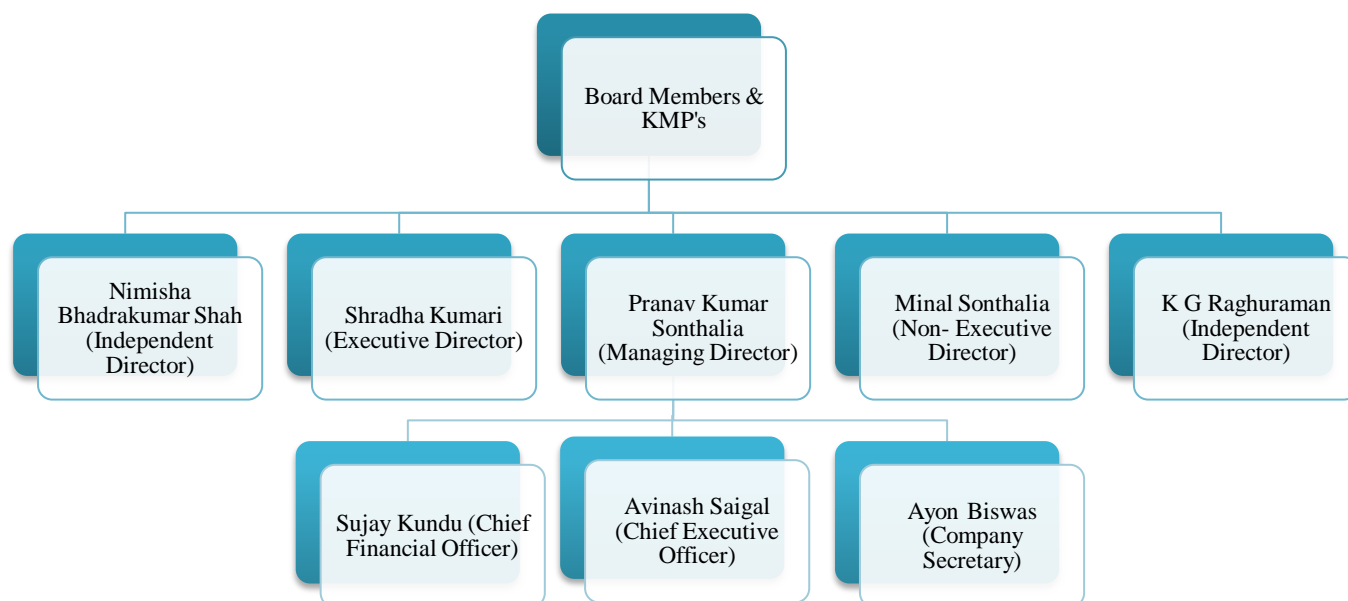
EXPORT AND EXPORT OBLIGATION

As on the date of this Draft Red Herring Prospectus, our company does not have any export obligation under export promotion capital goods (EPCG) scheme or any other scheme of Government of India.

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ORGANIZATIONAL STRCUTURE



HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. Our team is managed by experienced professionals who possess sound experience of industry and undertake all assignments to be carried out on time. Our employees are not members of any unions and we have not entered into any collective bargaining agreements with them. We have not experienced any work stoppages or action by or with our employees and we consider our relationship with our employees to be good.

The details of our employees who are on payroll are given as hereunder:

DEPARTMENT WISE EMPLOYEES BREAK-UP

As of March 31, 2024, our Company has employed 490 permanent employees which are on our company's payroll.

| S. No. | Particulars | Number of Employees |
|--------|--------------------|---------------------|
| 1 | Management | 2 |
| 2 | Finance & Accounts | 7 |
| 3 | Human Resource | 4 |
| 4 | Procurement | 13 |
| 5 | Back Office | 14 |
| 6 | Operations | 442 |
| 7 | Secretarial | 1 |



| | | |
|--------------|----------------|------------|
| 8 | Legal | 1 |
| 9 | Administration | 6 |
| TOTAL | | 490 |

UTILITIES & INFRASTRUCTURE FACILITIES

Power

Our company's registered office requires power for normal purposes such as for lighting, computer systems etc. Further, adequate power is available at all other offices. We also have an inverter facility at all of our offices.

Water

Our business does not have major water requirements. Water required at premises for human consumption and sanitation purposes is fully met through private supply.

Effluent Treatment

Our Company does not generate any industrial effluents which are hazardous to the environment.

Fuel

Fuel is vital for powering vehicles and ensuring smooth transportation of goods. It enables us to maintain our delivery schedules and effectively serve our customers. We obtain fuel from commercial fuel stations, which offer a convenient and readily available source of gasoline or diesel.

COMPETITION

The logistics industry in India is highly competitive, dominated by a large number of unorganized players. Many segments within the logistics industry are highly commoditized and have low barriers to entry or exit, leading to a market with a very high degree of fragmentation.

We operate in a highly competitive market. We face competition from other Companies providing logistic solutions operating in the same geographies as ours. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our competitors may have greater resources than those available to us.

Our competitors include:

1. SJ Logistics Limited.



MARKETING

We have established a robust marketing network throughout the nation to cater to both our current and potential clients. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. The process of building such a network involves a multifaceted approach that combines various marketing techniques and strong interpersonal relationships.

Our marketing strategies are framed in the following way which ensures:

- Continuously monitoring the industry trends
- Supply of quality services
- Timely execution and delivery of services

To expand our business scope and increase market share, we utilize marketing tools such as advertisements, and client fellowship dinners. Additionally, we've implemented an effective feedback mechanism to gather insights from our clients, allowing us to enhance product efficiency and achieve optimal customer satisfaction.

INSURANCE

Our Company has taken following insurance policies against any damage or loss:

(Rupees in Lakhs)

| S. No. | Insurer | Type of policy | Policy Number | Description of property insured | Validity Period | Sum Insured |
|--------|----------------------------------|--|-------------------------|----------------------------------|-----------------|-------------|
| 1. | Digit Group Total Protect Policy | Group Insurance or Employer-Employee Insurance | D117711081 | Employees Compensation Insurance | 18/09/2024 | 1,775.00 |
| 2. | SBI General Insurance | Group Health Insurance | 41012302000 00064-01 | Employees Compensation Insurance | 24/01/2025 | 275.00 |

LAND & PROPERTIES


Following are the details of land and Properties used by our company:

| S. No. | Address | Area | Period | Owned/Rented | Usage |
|--------|---|------------------|-------------------------------|--------------|-------------------|
| 1. | P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal – 700091 | 2114 Square Feet | 3 Years (w.e.f. 31/03/2022) | Sub-lease | Registered office |
| 2. | 6th Floor, 605A and 605B, Eastern Mall, Tiki Road, Dangratoli Chowk, Ranchi, Jharkhand, 834001 | 1102 Square feet | 11 Months (w.e.f. 01/01/2024) | Lease | Branch Office |



INTELLECTUAL PROPERTY

As on the date of this Draft Red Herring Prospectus, following are the trademarks in the name of the company registered under The Trademarks Act, 1999:

| Trademark/Wordmark | Date of application | Application number | Class | Current Status |
|---|---------------------|--------------------|-------|----------------|
|  | 07-08-2020 | 4599700 | 39 | Registered |

DOMAIN

Following are the domain in the name of our Company:

| Domain Name | Sponsoring Registrar and ID | Creation date | Expiry date | Current status |
|---|-----------------------------|---------------|-------------|----------------|
| https://pranikgroup.com/ | Go Daddy / Pranikgroup | 06-05-2020 | 12-05-2026 | Active |

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KEY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

RELATED TO OUR BUSINESS

THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (MSMED Act) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- where the investment in plant and machinery does not exceed twenty-five Lakh rupees shall be regarded as a micro enterprise;
- where the investment in plant and machinery is more than twenty-five Lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
- Where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier.

The MSMED Act provides that the agreed period cannot exceed forty-five days from the day of acceptance of goods it also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (—Council”). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at Delhi. The Central Government may from time to time for the purpose



of promotion and development of the MSME and to enhance the competitiveness in the sector organise

such programmes, guidelines or instructions, as it may deem fit. In case of any offences under this act, no court inferior to that of Metropolitan Magistrate or Chief Metropolitan Magistrate shall try the offence under this act.

THE MULTIMODAL TRANSPORTATION OF GOODS ACT, 1993 (THE “MULTIMODAL TRANSPORTATION ACT”)

The Multimodal Transportation Act regulates the transportation of goods from any place in India to a place outside India and defines “multimodal transport” as the carriage of goods by at least two different modes of transport, under the same contract, from a place of acceptance of goods in India to a place of delivery of such goods outside India. A multimodal transport is governed by a transport contract which, inter alia, sets out the liability of a multimodal transport operator to perform, or procure the performance of, multimodal transportation against payment of freight. The Multimodal Transportation Act allows a person to provide multimodal transportation services on obtaining a certificate of registration, which is valid for a period of three years. A multimodal transport operator is liable for losses resulting from:

- a) any loss of, or damage to, the consignment or delay in delivery of the consignment and
- b) any consequential loss or damage arising from such delay, where such loss, damage or delay in delivery took place while the consignment was in the charge of the multimodal transport operator.

CARRIAGE BY ROAD ACT, 2007

Carriage by Road Act, 2007 came into force on March 1, 2011 superseding the erstwhile Carriers Act, 1865. The Carriage by Road Rules, 2011 came into force on the same day. This Act provides for the regulation of common carriers, limiting their liability and declaration of value of goods delivered to them to determine their liability for loss, or damage to, such goods occasioned by their negligence or criminal acts, their servants or agents and for incidental matters. Carriage by Road Act 2007 does not apply to the Government or private carriers. No person shall engage in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorized transport on road, for all persons indiscriminately and includes a goods booking company, contractor, agent, broker, and courier agency engaged in the door-to-door transportation of documents, goods or articles utilizing the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles, but does not include the Government.

WAREHOUSING (DEVELOPMENT AND REGULATION) ACT, 2007

The Warehousing (Development and Regulation) Act, 2007 was notified and came into effect on September 19, 2007. The warehousing Act also provides for setting up of warehousing Development and Regulatory Authority which has the duty to regulate and ensure implementation of the provision of the warehousing act. The powers and functions of WDRA includes (i) to regulate the process of pledge, creation of charges and enforcement thereof in respect of goods deposited with the warehouses; (ii) to promote efficiency while conducting the warehouse business; (iii) to promote professional organizations connected with the warehousing business; (iv) to maintain a panel of arbitrators and to nominate arbitrators from such a panel in disputes between warehouses and warehouse receipt holders; and (v) to determine the rate of, and levy, the fee and other charges for carrying out the provisions of the Warehousing Act.



WAREHOUSING REGULATIONS, 2016

Public Warehouse Licensing Regulations, 2016, the Special Warehouse (Custody and Handling of Goods) Regulations, 2016 and the Private Warehouse Licensing Regulations, 2016 govern the issue of public, private and special warehouse licenses to different categories of applicants. The Warehousing Regulations stipulate the conditions for grant of warehouse licenses and also set out other requirements in relation to validity, surrender and transferability of the said licenses.

INTERNATIONAL COMMERCIAL TERMS ("INCOTERMS")

International Commercial Terms, commonly known as Incoterms, are internationally recognized trade definitions that are extensively used in international sales contracts. These terms were first introduced by the International Chamber of Commerce (ICC) in 1936 and have since become an integral part of global trade. The most recent version, "Incoterms 2000," became effective on January 01, 2000, and is referred to in contracts made after that date. However, earlier versions like "Incoterms 1990" remain applicable if included in contracts dated before January 01, 2000. Incoterms provide standardized definitions for various aspects of international trade, such as delivery, transportation, insurance, and responsibilities between buyers and sellers. They are designed to ensure clarity and legal certainty in commercial transactions and are crucial in building mutual trust between business partners. Some well-known Incoterms include EXW (Ex works), FOB (Free on Board), CIF (Cost, Insurance and Freight), DDU (Delivered Duty Unpaid), and CPT (Carriage Paid To). These terms help establish clear guidelines for international trade practices and contribute to smoother transactions in the global marketplace.

THE CUSTOMS ACT, 1962 AND RELATED REGULATIONS

The Customs Act, 1962, as amended, ("Customs Act) regulates import of goods into and export of goods from India. Further, the Customs Act regulates the levy and collection of customs duty on goods imported into, or exported from India in accordance with the Customs Tariff Act, 1975. Under the Customs Act, the Central Board of Excise and Customs ('CBEC") is empowered to appoint, by notification, inter alia, ports or airports as customs ports or customs airports and places as ICDs. Further, all imported goods unloaded in a customs area are required to remain in the custody of a person approved by the Commissioner of Customs, appointed under the Customs Act, until cleared for home consumption or warehoused or transhipped. The CBEC can also, by notification, declare places to be warehousing stations. At such warehousing stations the assistant or deputy Commissioner of Customs may appoint public warehouses or license private warehouses. The license granted to a private warehouse is liable to be cancelled in case of any violation of the provisions of the Customs Act or the rules or regulations thereunder, or breach of any of the conditions of licenses or by giving the licensee a written notice of one month. Any importer of goods specified in the Customs Act and which have been entered for warehousing and assessed to duty, is required to execute a bond which is cancelled once all amounts due on such goods have been paid in full and the warehoused goods have been cleared for home consumption or export, as the case maybe. Further, the assistant/deputy Commissioner of Customs is authorized to permit any owner of any warehoused goods to carry out manufacture or other operations in relation to the goods stored at the warehouse, and were found necessary for development of domestic industry, the Central Government may exempt the imported materials consumed in such manufacture or other operations from the whole or part of the excess rate of duty.



THE FOOD SAFETY AND STANDARDS ACT, 2006 (THE “FSS ACT”)

The FSS Act consolidates the laws relating to food and to establish the Food Safety and Standards Authority of India (the “Food Authority”) for setting out scientific standards for articles of food and to regulate thei

manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto. The Food Authority is required to provide scientific advice and technical support to the GoI and the state governments in framing the policy and rules relating to food safety and nutrition. The FSS Act also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of a ‘food business operator’ and liability of manufacturers and sellers, and adjudication process. The Food Safety and Standard Regulations, 2011 lay down duties of a Food Inspector, which, among others, include ensuring that food business operators are complying with the requirements pertaining to manufacture, handling and packaging of food articles, along with the conditions of the license granted to them for various food products.

THE PETROLEUM ACT, 1934 (“PETROLEUM ACT”)

The Petroleum Act primarily deals with import, transport, storage, production, refining and blending of petroleum. It prescribes that import, transport and storage of petroleum can only be done in accordance with the rules prescribed by the Central Government. The Act empowers the Central Government to make rules regarding, inter alia, the places at which and prescribing the conditions subject to which petroleum may be stored; the nature, situation and condition of all receptacles in which petroleum may be stored and prescribing the form and conditions of licenses for the import of petroleum Class A and for the transport or storages of any petroleum. A storage license is required for the storing of petroleum. However, a person need not obtain a license for the transport or storage of petroleum Class B if the total quantity in his possession at any one place does not exceed two thousand and five hundred litres and none of it is contained in a receptacle exceeding one thousand litres in capacity; or petroleum Class C if the total quantity in his possession at any one place does not exceed forty-five thousand litres and such petroleum is transported or stored in accordance with the rules prescribed; or petroleum Class A not intended for sale if the total quantity in his possession does not exceed thirty litres. Section 9 of the Petroleum Act prescribes that the owner of a motor conveyance, who complies with the requirements of the law relating to the registration and licensing of such conveyance and its driver such as obtaining necessary driver’s license and road permits and the owner of any stationary internal combustion engine, shall not be required to obtain a license (a) for the import, transport or storage of any petroleum contained in any fuel tank incorporated in the conveyance or attached to the internal combustion engine; or (b) for the transport or storage of petroleum Class A not exceeding one hundred litres in quantity; in addition to any quantity possessed under (a) mentioned above, provided the petroleum is intended to be used to generate motive power for the motor conveyance or engine and the total quantity of petroleum Class A does not exceed one hundred litres.

THE PETROLEUM RULES, 1976 (“PETROLEUM RULES”)

The Petroleum Rules prescribe that no person shall deliver or dispatch any petroleum to anyone in India other than the holder of a storage license. However, no license is required for the storage of petroleum in well-head tank; or for the storage of petroleum as transit cargo within the limits prescribed. A certificate of safety should be submitted to the licensing authority before storage of petroleum. All operations within an installation, service station or storage shed should be conducted under the supervision of an experienced responsible agent or supervisor who is conversant with the terms and conditions of the license. With respect to storage, the rules also prescribe various conditions for protection against fire, drainage, cleanliness, protection of the area.



FREE TRADE AND WAREHOUSING ZONES

The FTWZ, a policy of the Government of India was announced in the Foreign Trade Policy 2004 – 2009 with the objective to create trade-related infrastructure to facilitate the import and export of goods and services with the freedom to carry out trade transactions in free currency. FTWZs are designated as a deemed foreign territory and are envisaged to be integrated zones and used as international trading hubs. FTWZs are treated as a special category of the Special Economic Zone and are governed under the provisions of the Special Economic Zones, 2005 and the rules thereunder.

PM GATI SHAKTI - NATIONAL MASTER PLAN FOR MULTI-MODAL CONNECTIVITY

Following the budget announcement for the Financial Year 2021-22 by the finance minister, the 'PM Gati Shakti - National Master Plan for Multi-modal Connectivity' initiative was introduced. This initiative is designed to be a digital platform that brings together 16 ministries to coordinate the planning and execution of infrastructure connectivity projects. The approach is guided by seven engines - roads, railways, airports, ports, mass transport, waterways, and logistics infrastructure - with the aim of driving economic transformation, achieving seamless multimodal connectivity, and enhancing logistics efficiency. This proposed policy has the potential to significantly benefit the logistics industry by facilitating data exchange among various mode operators through a unified logistics interface platform (“ULIP”) equipped with application programming interfaces (“APIs”). If implemented, this approach can lead to more efficient movement of goods across different modes of transportation, reducing logistics costs and time, supporting just-in-time inventory management, and simplifying documentation processes. Additionally, it will offer real-time information to all stakeholders, thereby enhancing international competitiveness. Furthermore, contracts for the implementation of multimodal logistics parks at four locations through the public-private partnership (PPP) model are expected to be awarded in the upcoming year, 2022-23. Additionally, plans are in place to develop 100 PM Gati Shakti cargo terminals for multimodal logistics facilities within the next three years. This comprehensive approach is aimed at revolutionizing connectivity and logistics efficiency in the country.

PUBLIC LIABILITY INSURANCE ACT, 1991 (“PUBLIC LIABILITY ACT”)

The Public Liability Act, as amended, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substance. A list of hazardous substances covered by the Public Liability Act has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

TAXATION LAWS

In addition to the aforementioned legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Income Tax Act, 1961, the Income Tax Rules, 1962, as amended by Finance Act in respective years;
- Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various State-wise legislations made thereunder;
- The Integrated Goods and Service Tax Act, 2017;
- Professional Tax state-wise legislations.



LABOUR LAWS

India has extensive labour related legislations. Certain other laws and regulations that may be applicable to our Company in India include the following which is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

EMPLOYEES' COMPENSATION ACT, 1923, AS AMENDED

The Employee's Compensation Act, 1923 came into force on July 1, 1924. The act has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Indian Parliament approved certain amendments to the Employee's Compensation Act, 1923, as amended, to substitute, inter-alia, references to "workmen" with "employees" including in the name of the statute. The amendment came into force on January 18, 2010.

Under the Employees' Compensation Act, if personal injury is caused to an employee by accident arising out of and in the course of employment, the employer would be liable to pay such employee compensation in accordance with the provisions of the Employees' Compensation Act. However, no compensation is required to be paid (i) if the injury does not disable the employee for a period exceeding three days, (ii) where the employee, at the time of injury, was under the influence of drugs or alcohol, or (iii) where the employee willfully disobeyed safety rules or willfully removed or disregarded safety devices.

CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970 ("CLRA"):

CLRA has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

THE EMPLOYEES' PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952:

The EPFA came into force on March 4, 1952 and amended on September 1, 2014. Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, the employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.



THE EMPLOYEES' STATE INSURANCE ACT, 1948 (THE "ESI ACT"):

The Employees State Insurance Act of 1948 has been enacted with the objective of securing financial relief in cases of sickness, maternity and 'employment injury' to employees of factories and their dependent and to make provision for certain other matters in relation thereto. The Act is applicable to all the Factories including Factories belonging to the Government. Further, employer and employees both are required to make contribution to the fund at the rate prescribed by the Central Government. The return of the contribution made is required to be filed with the Employee State Insurance department.

THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

THE PAYMENT OF BONUS ACT, 1965:

The payment of Bonus Act, 1965 aims to regulate the amount of bonus paid to the persons employed in certain establishments based on their profits and productivity. Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where twenty or more persons are employed on any day during an accounting year, is eligible to be paid a bonus. It further provides for the payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

PAYMENT OF GRATUITY ACT, 1972:

The Payment of Gratuity Act is applicable to every factory, mine, oilfield, plantation, port, railway companies and to every shop and establishment in which 10 or more persons are employed or were employed at any time during the preceding twelve months. This Act applies to all employees irrespective of their salary. The Payment of Gratuity Act, as amended, provides for a scheme for payment of gratuity to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years:

- (a) On his/her superannuation;
 - (b) On his/her retirement or resignation;
 - (c) On his/her death or disablement due to accident or disease
- (In this case the minimum requirement of five years does not apply)



THE CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986:

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time (“Child Labour Act”) was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

FOREIGN REGULATIONS

FOREIGN EXCHANGE MANAGEMENT ACT, 1999:

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 (“FEMA”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India 102 and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

FEMA REGULATIONS:

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

THE FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992 (“FTA”):

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.



ENVIRONMENTAL LAWS

THE ENVIRONMENT (PROTECTION) ACT OF 1986 (“EPA”)

The EPA has been formulated by the Government of India for the protection and improvement of the environment in India and for matters connected there with. The EPA is an umbrella legislation designated to provide a framework for the Government of India to co-ordinate activities of various state and central authorities established under previous environmental laws. The EPA vests the Government of India with the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and for preventing, controlling and abating environmental pollution. This includes the power to make rules for among other things, determining the quality of environment, standards for emission of discharge of environment pollutants from various sources, inspection of any premises, plan, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution.

THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981, (“AIR ACT”)

The Air Act has been enacted to provide for the prevention, control and abatement of air pollution. The Air Act was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974, (“WATER ACT”)

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines, or imprisonment, or both.

GENERAL LEGISLATIONS

THE INDIAN CONTRACT ACT, 1872:

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.



THE COMPETITION ACT, 2002:

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

CONSUMER PROTECTION ACT, 2019 (“CONSUMER PROTECTION ACT”) AND RULES MADE THEREUNDER

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs. In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India (“Ministry of Consumer Affairs”) has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) on July 23, 2020, which provide a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released draft amendments to the E-Commerce Rules for public comments. The aforesaid draft amendments require ecommerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade, and appoint a chief compliance officer, a nodal contact person and a resident grievance officer. Additionally, the draft amendments prohibit e-commerce entities from misleading users by manipulating search results, prohibit flash sales and abuse of dominant position, and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures.

CODE OF CIVIL PROCEDURE, 1908

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised. The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.



INTELLECTUAL PROPERTY RIGHT ACTS

THE TRADEMARKS ACT, 1999 (“TRADEMARKS ACT”)

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks or compounds, among others. It also provides for infringement, falsifying and falsely applying trademarks.

Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law with international practice.

LOCAL LAWS:

1. West Bengal Shop and establishment license
2. Jharkhand Shop and establishment license
3. West Bengal Shop and establishment license
4. Jharkhand Professional Tax

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OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

HISTORY OF OUR COMPANY

Our Company was incorporated as a Private Limited Company under the name of “Pranik Logistics Private Limited” under the Companies Act, 2013 vide certificate of incorporation dated February 24, 2015, issued by Registrar of Companies, Kolkata, bearing CIN U60231WB2015PTC205412. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on January 15, 2024 and the name of our Company was changed from “Pranik Logistics Private Limited” to “Pranik Logistics Limited” & Registrar of Companies, Kolkata has issued a new certificate of incorporation consequent upon conversion dated March 07, 2024, bearing CIN U60231WB2015PLC205412.

Our company is engaged as carrying and forwarding agent providing end-to-end Logistics solutions i.e. from the point of origin to the point of consumption, in order to meet the needs of our customers and corporations. We are a pan India logistics provider, acting as carrying and forwarding agent and providing integrated services including transportation, warehousing, material handling and freight forwarding to our customers belonging to various industries such as Automotive, Engineering, Construction, Customer durables, Retail, Textile etc.

Since our establishment in 2015, we have over the period expanded the ambit of our services. We offer customized services as per the requirements of our customers. We have a dedicated team of employees and agents, who manage the entire supply chain effectively and efficiently.

As on the date of this Draft Red Herring Prospectus, we manage a fleet of commercial vehicles, comprising more than 80 vehicles that we own, and any further requirement is managed through leasing the vehicles on trip-to-trip basis. Our fleet encompasses various types of trucks categorized by design, size, and capacity. Our Container Trucks are utilized for parcel transportation, while Platform Trucks handle heavy-duty goods like automotive parts and machinery. For detailed information on the different vehicle categories within our fleet, please see "Our Fleet Strength" on page 163 of this Draft Red Herring Prospectus. The diversity of our transportation vehicles allows us to cater to a wide range of consignments. Further, as on the date of this Draft Red Herring Prospectus, we operate a total of 30 warehouses, which are directly managed by our company. For detailed information on the warehouses of the company, please refer to page 157 of this Draft Red Herring Prospectus.

The technological systems that our company uses for managing the logistics operations are provided by our clients that enable us to improve our service quality, consistency and increase our operating efficiency. Our accounting systems also enable us to implement stringent financial controls.

We have obtained certifications from FSSAI for facilitating the delivery of perishable goods. We believe that adopting and employing global standards will attract more customers to our Company.

Background of Promoters

Following are promoters of our Company:

1. Mr. Pranav Kumar Sonthalia
2. Ms. Shradha Kumari
3. Ms. Minal Sonthalia



Mr. Pranav Kumar Sonthalia is the Promoter and Managing Director of the Company. He is also the founder of the company, and he founded the company even before graduating from college. He is a graduate from the University of Calcutta, and he also has a postgraduate degree in Family Managed Business from SPJIMR, Bharatiya Vidya Bhawan. He has an experience of almost 9 years in the Logistics and Transportation industries. He kickstarted his career by founding Pranik Logistics Private Limited and has been at the helm of operation since the beginning, along with being involved in the planning and implementing of budgets, strategic initiatives, and employee training programs.

Ms. Shradha Kumari, aged 23 years, is the promoter and Executive Director of the Company. She has been appointed as Executive Director on May 25, 2024. She completed her Bachelors in retail management from St. Xavier's College, Ranchi in the year 2023. She has an experience of almost 5 years in the logistics industry. Her role involves analysis of industry trends and assisting the board in making equitable decisions.

Ms. Minal Sonthalia, aged 27 years, is the promoter and Non-Executive Non-Independent Director of our Company. She has been appointed as Non-Executive Director of our Company on January 8, 2024. She completed her Bachelor of Education from Singhania University in the year 2020 and her Master of Commerce from IGNOU in the year 2021. She has an experience of almost 3 years in the logistics industry. She is looking after the overall management and operational efficiency of the Company.

For the profile of our promoters, kindly refer to the chapter "Our Promoters" on page no. 210 of this Draft Red Herring Prospectus.

CHANGES IN OUR REGISTERED OFFICE

The Registered Office of the Company is presently situated at P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal – 700091. The details of change of Registered Office of the Company are as follows:

| S. No. | Date of Change | Shifted from | Shifted to |
|---------------|-----------------------|--|--|
| 1. | 06-07-2017 | 11 Royd Street Lunawat House, 4th Floor, Kolkata, West Bengal 700016, India. | Regus, P.S Archadia, 9th Floor 4a, Abanindra Natha Thakur Sarani Kolkata, West Bengal 700016, India. |
| 2. | 05-12-2018 | Regus, P.S Archadia, 9th Floor 4a, Abanindra Natha Thakur Sarani Kolkata, West Bengal 700016, India. | Synthesis Business Park, Cbd/1, Unit No. 7a/08, 7th Floor, Action Area-Ii, Mouza-Ghuni, J.L No. 23, P.S - Rajarhat, New Town, Kolkata, West Bengal Kolkata – 700156. |
| 3 | 01-04-2022 | Synthesis Business Park, Cbd/1, Unit No. 7a/08, 7th Floor, Action Area-Ii, Mouza-Ghuni, J.L No. 23, P.S - Rajarhat, New Town, Kolkata, West Bengal Kolkata – 700156. | P.S. Srijan Tech Park, Plot No 52, Block DN, 14th Floor, Sector V, Salt Lake City, Kolkata, Parganas North, West Bengal-Wb 700091, India. |



MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

- 1) To establish, organize, manage, run, charter, conduct, contract, develop, handle, own, operate and to do business as fleet carriers, transporters, in all its branches on land, air, water, & space, for transporting goods, in all modes including bulk and containers, articles, or things or heavy and over dimensional cargo, on all routes and lines on National and International level subject to law in force through all sorts of carries like trucks, lorries, trawlers, dumpers, coaches, tankers, tractors, haulers, jeeps, trailers, motor buses, omnibuses, motor taxis, railways, tramways, aircrafts, hovercrafts, rockers, space shuttles, ships, vessels, boats, barges and so on whether propelled by petrol, diesel, electricity, steam oil, atomic power or any other form of power. To establish, organize, manage, run, charter, conduct, contract, develop, handle, own operate material Handling equipments.
- 2) To carry on the business of clearing and forwarding agents, courier and cargo handlers, handling and haulage contractors, warehousemen, common carriers by land, rail, water and air, container agents, to handle goods and passengers within the country and outside and to carry on the business of tour and travel operators and to act as customs agents, wharfingers, landing agents, stevedores and longshoremen. To carry on the business of providing Logistics Services, material management, transportation, warehousing distribution and marketing of goods and to provide storage and protection of goods against rain, fire and other natural or manmade calamities.
- 3) To act as representative, Agent, Sub Agent, Commission Agent of Indian and foreign Companies, Firms, persons, states and other bodies Corporate and to represent them before the different authorities Corporate and bodies and to act as their Sales, purchase representatives and to render services to them for transporting warehousing, distributing, and maintaining all types of goods and Equipments in good conditions supplied by the principals.
- 4) To carry on Agency business including that of freight agents, steamer agents, chartering agents, clearing and forwarding agents, commission agents and bunkering agents and to work as Ship Broker and Charterers

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, there has been following amendment made to the MOA of our Company:

| Date of Amendment | Particulars of Amendment |
|-------------------|---|
| 30-09-2016 | Alteration in Memorandum of Association due to sub- division of share capital from Rs. 10,00,000 divided into 10,000 equity shares of Rs. 100/- per share to Rs. 10,00,000 divided into 1,00,000 equity shares of Rs. 10/- per share. |
| 06-03-2019 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 10,00,000 /- to Rs. 2,00,00,000/-. |
| 21-03-2020 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 2,00,00,000 /- to Rs. |



| | |
|------------|---|
| | 3,00,00,000/-. |
| 24-02-2023 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 3,00,00,000 /- to Rs. 5,50,00,000/-. |
| 15-01-2024 | Alteration of Name clause of Memorandum of Association and subsequently the company was converted from Private Limited Company into Public Company. |
| 16-05-2024 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing to Rs. 5,50,00,000/- to Rs. 13,00,00,000/-. |

KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

| Year | Particulars |
|-------------|---|
| 2015 | Incorporation of Company |
| 2024 | Conversion from Private Company to Public Company |

DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of Our Company's activity, business model, marketing strategy, completion of business, please see "Our Business", "Management Discussion and Analysis of Financial Conditions" and "Basis for Issue Price" on page 151, 250, 110 of this Draft Red Herring Prospectus respectively.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any holding company as on the date of filing of this Draft Red Herring Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company does not have any subsidiary company as on the date of filing of this Draft Red Herring Prospectus

ASSOCIATE OR JOINT VENTURE OF OUR COMPANY

As on the date of this Draft Red Herring prospectus, our Company does not have any associate company or joint venture.

OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.



FUND RAISING THROUGH EQUITY OR DEBT

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled “Capital Structure” beginning on page number 78 respectively, of this Draft Red Herring Prospectus.

REVALUATION OF ASSETS

For more details, please refer to the chapter “Financial Statement as restated” on the page 219 of this Draft Red Herring Prospectus.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Other than as stated in this Draft Red Herring Prospectus, there has been no change in the activities being carried out by our Company since incorporation till the date of this Draft Red Herring Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

STRIKES AND LOCK-OUTS

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Draft Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

SHAREHOLDERS’ AGREEMENT

Our Company does not have any subsisting shareholders’ agreement as on the date of this Draft Red Herring Prospectus.

OTHER AGREEMENTS

As on the date of this Draft Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Draft Red Herring Prospectus.



STRATEGIC PARTNERS

Our Company does not have any strategic partner(s) as on the date of this Draft Red Herring Prospectus.

FINANCIAL PARTNERS

As on the date of this Draft Red Herring Prospectus, our Company does not have any financial partners.

ACQUISITION OF BUSINESS / UNDERTAKINGS

There is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking since inception.

DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS

There has been no divestment by the Company of any business or undertaking since inception.

NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has 7 (seven) shareholders as on date of this Draft Red Herring Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “Capital Structure” beginning on page 78 of this Draft Red Herring Prospectus.

DETAILS OF PAST PERFORMANCE

For details of Change of management, please see chapter titled “Our Business” and “Our History and certain corporate matters” on page 151, 185 respectively of this Draft Red Herring Prospectus.

DETAILS OF FINANCIAL PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non- recurring items of income, refer to section titled “Financial Statements” beginning on page 219 of this Draft Red Herring Prospectus.

COLLABORATION AGREEMENT

For the details regarding collaboration agreements entered into by our Company, refer to the chapter “Our Business” on page no. 151 of this Draft Red Herring Prospectus.

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OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on our Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Draft Red Herring Prospectus, our Board consists of 5 (Five) Directors, out of which 2 (Two) are Executive Directors and 3 (Three) are Non-Executive Directors out of which 2 (Two) directors are independent directors. Mr. Pranav Kumar Sonthalia is the Managing Director of our Company.

| S. N. | Name | DIN | Category | Designation |
|-------|--------------------------|----------|---------------|----------------------|
| 1. | Pranav Kumar Sonthalia | 06717643 | Executive | Managing Director |
| 2. | Shradha Kumari | 08257480 | Executive | Director |
| 3. | Minal Sonthalia | 10456310 | Non-Executive | Director |
| 4. | Nimisha Bhadrakumar Shah | 10149047 | Non-Executive | Independent Director |
| 5. | K G Raghuraman | 10637368 | Non-Executive | Independent Director |

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Red Herring Prospectus:

| S.NO | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age | No. of Equity Shares held & % of pre issue shareholding | Other Directorship/partner |
|------|--|----------|--|---|
| 1. | <p>Pranav Kumar Sonthalia</p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> Rosedale Garden, Tower-1, Flat No.-118, Action Area 3, Kolkata, North 24 Parganas, West Bengal - 700156</p> <p><i>Date of Birth:</i> 29/05/1994</p> <p><i>Qualification:</i> Postgraduate In Family Managed Business</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> 5 years from 22/04/2024</p> <p><i>Date of First Appointment:</i> 24/02/2015</p> <p><i>Date of Appointment as MD:</i> 22/04/2024</p> | 29 years | 79,49,250 Equity Shares (98.24 % of the Pre-issue shareholdings) | <p>Indian Private Companies</p> <p>1. Shri Sai Multicom Private Limited</p> <p>Indian Public Companies: Nil</p> <p>Section 8 companies: Nil</p> <p>Indian LLPs: Nil</p> |



| | | | | |
|-----------|---|-------------|--|---|
| | DIN: 06717643 | | | |
| 2. | <p>Shradha Kumari</p> <p>Designation: Director</p> <p>Address: Flat No.-8A, Ratan Height, Morabadi, Ranchi, Jharkhand- 834008</p> <p>Date of Birth: 19/08/2000</p> <p>Qualification: Bachelor in Retail Management</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Date of Appointment: 25/05/2024</p> <p>DIN: 08257480</p> | 23 Years | 1,41,750 Equity Shares (1.75 % of the Pre-issue shareholdings) | <p>Indian Private Companies: Nil</p> <p>Indian Public Companies: Nil</p> <p>Section 8 companies: Nil</p> <p>Indian LLPs: Nil</p> |
| 3. | <p>Minal Sonthalia</p> <p>Designation: Non-Executive Director</p> <p>Address: Sripur Road West, Kulti, Kulti M, Barddhaman, West Bengal- 713343</p> <p>Date of Birth: 19/03/1997</p> <p>Qualification: Bachelor of Education, Master of Commerce</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>Date of Appointment: 08/01/2024</p> <p>DIN: 10456310</p> | 27 Years | 150 Equity Shares (0.00 % of the Pre-issue shareholdings) | <p>Indian Private Companies- Nil</p> <p>Indian Public Companies- Nil</p> <p>Section 8 companies- Nil</p> <p>Indian LLPs – Nil</p> |



| | | | | |
|------------------|--|---------------------|------------|---|
| <p>4.</p> | <p>Nimisha Bhadrakumar Shah</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> 2102 Aura Biplax, Ram Nagar Lane behind Kalyan Jewellers, Borivali west, Mumbai, Maharashtra 400092.</p> <p><i>Date of Birth:</i> 23/12/1973</p> <p><i>Qualification:</i> Chartered Accountant</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of Appointment:</i> 24/05/2024</p> <p><i>DIN:</i> 10149047</p> | <p>50 years</p> | <p>NIL</p> | <p>Indian Private Companies-</p> <p>Indian Public Companies- Nil</p> <p>Section 8 companies- Nil</p> <p>Indian LLPs – Nil</p> |
| <p>5.</p> | <p>K G Raghuraman</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> Flat no-2-A, 2nd Floor, Ceebros Kailash No-18, 5th Trust Cross Street Mandavelipakkam, Raja Annamalaipuram Chennai Tamil Nadu- 600028.</p> <p><i>Date of Birth:</i> 05/06/1962</p> <p><i>Qualification:</i> Master of Business Administration</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of Appointment:</i> 24/05/2024</p> <p><i>DIN:</i> 10637368</p> | <p>62 years</p> | <p>NIL</p> | <p>Indian Private Companies-</p> <p>Indian Public Companies- Nil</p> <p>Section 8 companies- Nil</p> <p>Indian LLPs – Nil</p> |

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

- Mr. Pranav Kumar Sonthalia**, aged 29 years, is the Promoter and Managing Director of our Company. He is also the founder of the Company. He has been appointed as Director of our Company since incorporation and as Managing Director from April 22, 2024. He has completed B.com from University of Calcutta, and he also has a postgraduate degree in Family Managed Business from SPJIMR, Bharatiya Vidya Bhawan. He has experience of almost 9 years in the logistics and transportation industry. He is the guiding force behind



all the strategic decisions of the Company, and he is also involved in planning and implementing budgets, strategic initiatives and employee training programs.

2. **Ms. Shradha Kumari**, aged 23 years, is the promoter and Executive Director of the Company. She has been appointed as Executive Director on May 25, 2024. She completed her Bachelors in retail management from St. Xavier's College, Ranchi in the year 2023. She has an experience of almost 5 years in the logistics industry. She is looking after the overall management and operational efficiency of the Company.
3. **Ms. Minal Sonthalia**, aged 27 years, is the promoter and Non-Executive Non-Independent Director of our Company. She has been appointed as Non-Executive Director of our Company on January 8, 2024. She completed her Bachelor of Education from Singhania University in the year 2020 and her Master of Commerce from IGNOU in the year 2021. She has an experience of almost 3 years in the logistics industry. Her role involves analysis of industry trends and assisting the board in making equitable decisions.
4. **Ms. Nimisha Bhadrakumar Shah**, aged 50 years, serves as Independent Director of the Company. She has been appointed as Independent Director of the Company from May 24, 2024. She is a Chartered Accountant by profession and has more than 24 years of remarkable experience in the finance domain, particularly within multinational manufacturing corporations across India. She is also a founder of Dealers E-Drive Consultancy, a venture that leverages analytics to optimize the profitability of auto dealers.
5. **Mr. K G Raghuraman**, aged 62 years, serves as the Independent Director of the Company. He has been appointed as Independent Director of the Company from May 24, 2024. He holds a degree in Master of Business Administration from Sikkim Manipal University. He holds More than 20 years of leadership experience in End-to-End Supply Chain Management across multiple industries. He previously served as the head of logistics department in Samsung India Electronics, Gurgaon.

Note:

As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the NSE, during the term of their directorship in such company.
- b) None of the Directors are on the RBI List of wilful defaulters.
- c) None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1) (III) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018. None of the above-mentioned Directors are on the RBI List of wilful defaulters as on the date of this Draft Red Herring Prospectus.
- e) None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.



f) None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

FAMILY RELATIONSHIP BETWEEN DIRECTORS

Except as stated below, none of the Directors or Director or Key Managerial Personnel or Senior Management of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

| Sr. No. | Name of the Director | Relationship with other Director |
|----------------|-----------------------------|---|
| 1. | Mr. Pranav Kumar Sonthalia | Spouse of Ms. Minal Sonthalia and Brother of Ms. Shradha Kumari |
| 2. | Ms. Minal Sonthalia | Spouse of Mr. Pranav Kumar Sonthalia and Sister-in-Law of Ms. Shradha Kumari |
| 3. | Ms. Shradha Kumari | Sister of Mr. Pranav Kumar Sonthalia and Sister-in-law of Ms. Minal Sonthalia |

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension.

None of our Directors is / was a director in any listed company during the last five years before the date of filing of this Draft Red Herring Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting.

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

Details of arrangement or understanding with major shareholders, consumers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.

There are no arrangements or understandings with major shareholders, consumers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a director or member of the senior management.



TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

i) Executive Directors

| | |
|--|--|
| Name | Mr. Pranav Kumar Sonthalia |
| Designation | Managing Director |
| Term | 5 years from 22/04/2024 |
| Date of first appointment | 24/02/2015 |
| Date of appointment as Managing Director | 22/04/2024 |
| Remuneration (FY 2023-24) | Rs. 5.00 Lakhs Per month |
| Perquisite | Not Applicable |
| Remuneration paid in F.Y. 2022-23 | Mr. Pranav Kumar Sonthalia was appointed as Managing Director on 22-04-2024, therefore in the financial year 2022- 23 he was receiving remuneration as executive director of Rs. 2.00 lakhs per month. |
| Name | Ms. Shradha Kumari |
| Designation | Executive Director |
| Date of appointment as executive Director | 25/05/2024 |
| Remuneration (FY 2023-24) | Rs. 1.00 Lakhs Per month |
| Perquisite | Not Applicable |
| Remuneration paid in F.Y. 2022-23 | Ms. Shardha Kumari was appointed as executive Director on 25-05-2024, therefore in the financial year 2022- 23 she was not receiving any remuneration. |

ii) Non-Executive Directors

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Pursuant to the resolution passed by the Board of Directors of our Company on May 24, 2024, the independent directors of our Company would be entitled to a sitting fee of Rs. 25,000/- for attending every meeting of the Board and for attending every committee meeting.

Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Directors | No. of Equity Shares held | % of pre-issue paid-up Equity Share capital in our Company |
|----------------|------------------------------|----------------------------------|---|
|----------------|------------------------------|----------------------------------|---|



| | | | |
|----|----------------------------|-----------|------------|
| 1. | Mr. Pranav Kumar Sonthalia | 79,49,250 | 98.24% |
| 2. | Ms. Shradha Kumari | 1,41,750 | 1.75% |
| 3. | Ms. Minal Sonthalia | 150 | Negligible |

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances Provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of Our Company

Except Promoters, none of our directors have any interest in the promotion of our Company.

Interest in the property of Our Company

None of Our Directors have interest in any property acquired by our Company neither in the preceding two years from the date of this Draft Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus. Our directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of vehicles, etc. with respect to our Company.

Interest in the business of Our Company

Save and except as stated otherwise in “Related Party Transaction” in the “Note 11” in chapter titled “*Financial Information*” beginning on page number 247 of this Draft Red Herring Prospectus, our directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our directors are not



interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Details of service contracts

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

Bonus or profit-sharing plan for the directors

There is no bonus or profit-sharing plan for the Directors of our Company.

Contingent and deferred compensation payable to directors

No Director has received or is entitled to any contingent or deferred compensation.

Other indirect interest

Except as stated in chapter titled “*Financial Information*” beginning on page 219 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our directors.

Borrowing power of the Board

In terms of the special resolution passed at an Extra- Ordinary General Meeting of our Company held on May 16, 2024 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of members of the Company has been accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company`s bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and free reserve, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 50.00 Crores (Rupees fifty crores Only).

Pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, money to be borrowed together with the money already borrowed by the company does not exceed aggregate of the paid-up capital and free reserve of the company.

CHANGES IN THE BOARD FOR THE LAST THREE YEARS

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

| Name of Director | Date of Event | Reason for Change |
|-------------------------|----------------------|-------------------------------------|
| Minal Sonthalia | 08-01-2024 | Appointed as Non-Executive Director |



| | | |
|--------------------------|------------|--|
| Pranav Sonthalia | 22-04-2024 | Change in Designation to Managing Director |
| Shradha Kumari | 24-05-2024 | Resignation as Director |
| Nimisha Bhadrakumar Shah | 24-05-2024 | Appointment as Independent Director |
| K G Raghuraman | 24-05-2024 | Appointment as Independent Director |
| Shradha Kumari | 25-05-2024 | Appointment as Executive Director |

Management Organizational Structure

For Management Organizational Structure please refer chapter titled “Our Business” on page number 151 of this Draft Red Herring Prospectus.

CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Draft Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. IPO Committee

AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated May 26, 2024 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, the Audit Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|--------------------------|------------------------------|------------------------|
| Nimisha Bhadrakumar Shah | Chairperson | Independent Director |
| K G Raghuraman | Member | Independent Director |
| Shradha Kumari | Member | Executive Director |

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Oversight of the Company’s financial reporting process and the disclosure of its financial information



to ensure that the financial statements are correct, sufficient and credible.

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
8. use/application of the funds raised through the proposed initial public offer by the Company;
9. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
10. Scrutiny of inter-corporate loans and investments.
11. Valuation of undertakings or assets of the Company, wherever it is necessary.
12. Evaluation of internal financial controls and risk management systems.
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
15. Discussion with internal auditors on any significant findings and follow up thereon.
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
19. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.



21. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly head of the finance function) to be present at the meetings of the committee, but on the occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of the internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

Meetings and relevant quorum of the Audit Committee

1. The Audit Committee shall meet at least four times in a year and more than one hundred and twenty days shall elapse between two meetings.
2. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Removal or Ceasing as a Member of the Committee

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on May 26, 2024. As on the date of this Draft Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|--------------------------|------------------------------|------------------------|
| K G Raghuraman | Chairman | Independent Director |
| Nimisha Bhadrakumar Shah | Member | Independent Director |
| Minal Sonthalia | Member | Non-Executive Director |



Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. for the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. Consider the time commitments of the candidates.
3. formulation of criteria for evaluation of the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9. recommending to the Board, all remuneration, in whatever form, payable to senior management;
10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12. analyzing, monitoring and reviewing various human resource and compensation matters;
13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

Our Company Secretary and Compliance Officer will act as the secretary to the Nomination and Remuneration Committee.



Meetings and relevant quorum of the Nomination and Remuneration Committee

1. The committee shall meet as and when the need arises, subject to at least one meeting in a year.
2. The quorum for the meeting shall be either two members or one third of the total strength of the committee or two members, whichever is higher, with atleast One (1) Independent Director.

Removal or Ceasing as a Member of the Committee

1. Any members of this Committee may be removed or replaced by the Board of Directors at any time, by giving reasons thereof.
2. Any member of this committee ceasing to be a director shall also be ceased to be a member of this Committee.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Our Company at its Board Meeting held on May 26, 2024, has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on the date of this Draft Red Herring Prospectus the Stakeholder's Relationship Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| K G Raghuraman | Chairman | Independent Director |
| Nimisha Bhadrakumar Shah | Member | Independent Director |
| Shradha Kumari | Member | Executive Director |

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
7. Ensure proper and timely attendance and redressal of investor queries and grievances;
8. Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and



9. To approve, register, refuse to register transfer or transmission of shares and other securities;
10. To review, approve or reject the request for split, sub-divide, consolidate, renewal and or replace any share or other securities certificate(s) of the Company;
11. To authorize affixation of common seal of the Company;
12. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
13. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
14. To dematerialize or rematerialize the issued shares;
15. To do all other acts and deeds as may be necessary or incidental to the above;
16. To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
17. Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

Meetings of the Committee and relevant quorum

1. The Stakeholder Relationship Committee shall meet at least once in a year and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company.

Removal or Ceasing as a Member of the Committee

1. Any members of this Committee may be removed or replaced by the Board of Directors at any time, by giving reasons thereof.
2. Any member of this committee ceasing to be a director shall also be ceased to be a member of this Committee.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

IPO COMMITTEE

The Initial Public Offer Committee has been formed by the Board of Directors, at the meeting held on May 26, 2024. As on the date of this Draft Red Herring Prospectus the Initial Public Offer Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Pranav Kumar Sonthalia | Chairman | Managing Director |
| Shradha Kumari | Member | Executive Director |
| Minal Sonthalia | Member | Non- Executive Director |

The Company Secretary shall act as the secretary of the IPO Committee.

The terms of reference of the IPO Committee include the following:

- a. Approving amendments to the memorandum of association and the articles of association of the Company;
- b. Finalizing and arranging for the submission of the DRHP, the RHP, the Prospectus and any amendments,



- supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;
- c. Approving a code of conduct as may be considered necessary by the Board or the IPO Committee or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;
 - d. Approving a code of conduct as may be considered necessary by the Board or the IPO Committee or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;
 - e. Issuing advertisements as it may deem fit and proper in accordance with Applicable Laws;
 - f. Deciding on the size and all other terms and conditions of the Issue and/or the number of Equity Shares to be issued in the Issue, including any rounding off in the event of any oversubscription as permitted under Applicable Laws;
 - g. Taking all actions as may be necessary or authorized in connection with the Issue;
 - h. Appointing and instructing book running lead manager, syndicate members, bankers to the Issue, the registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies and all such persons or agencies as may be involved in or concerned with the Issue and whose appointment is required in relation to the Issue, including any successors or replacements thereof;
 - i. Opening bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with Applicable Laws;
 - j. Entering into agreements with, and remunerating all the book running lead manager, syndicate members, placement agents, bankers to the Issue, the registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all other agencies or persons as may be involved in or concerned with the Issue, including any successors or replacements thereof, by way of commission, brokerage, fees or the like;
 - k. Seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing application to the Stock Exchanges and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreement with the Stock Exchanges;
 - l. Seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue;
 - m. Submitting undertaking/certificates or providing clarifications to the SEBI and the Stock Exchanges;
 - n. Determining the price at which the Equity Shares are issued to investors in the Issue in accordance with Applicable Laws, in consultation with the book running lead manager and/or any other advisors, and determining the discount, if any, proposed to be issued to eligible categories of investors;
 - o. Determining the price band and minimum lot size for the purpose of bidding in accordance with applicable laws, any revision to the price band and the final Issue price after bid closure;
 - p. Determining the bid/issue opening and closing dates;
 - q. Finalizing the basis of allocation of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers and any other investor in accordance with the applicable laws and in consultation with the book running lead manager, the Stock Exchanges;
 - r. Opening with the bankers to the Issue, escrow collection banks and other entities such accounts as are required under Applicable Laws;
 - s. To issue receipts/allotment letters/confirmations of allotment notes either in physical or electronic mode representing the underlying equity shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices



and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;

- t. Severally authorizing Mr. Pranav Kumar Sonthalia, Ms. Shradha Kumari and Ms. Minal Sonthalia (“Authorized Officer”), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer considers necessary, desirable or expedient, in connection with the Issue, including, without limitation, engagement letters, memorandum of understanding, the listing agreement with the stock exchange, the registrar’s agreement, the depositories’ agreements, the issue agreement with the book running lead manager (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the cash escrow agreement, the share escrow agreement, confirmation of allocation notes, the advertisement agency agreement and any undertakings and declarations, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue, the book running lead manager, syndicate members, placement agents, bankers to the Issue, registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Issue including any successors or replacements thereof; and any such agreements or documents so executed and delivered and acts, deeds, matters and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;
- u. Severally authorizing the Authorized Officers to take any and all action in connection with making applications, seeking clarifications and obtaining approvals (or entering into any arrangement or agreement in respect thereof) in connection with the Issue, including, without limitation, applications to, and clarifications or approvals from the GoI, the SEBI, the RoC, and the Stock Exchanges and that any such action already taken or to be taken is hereby ratified, confirmed and/or approved as the act and deed of the Authorized Officer and the Company, as the case may be;
- v. Severally authorizing the Authorized Officers, for and on behalf of the Company, to execute and deliver any and all documents, papers or instruments and to do or cause to be done any and all acts, deeds, matters or things as any such Authorized Officer may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer shall be conclusive evidence of the authority of such Authorized Officer and the Company in so doing and any such document so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Authorized Officer and the Company, as the case may be; and
- w. Executing and delivering any and all documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as the IPO Committee may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

| | |
|---|--|
| Name | : Mr. Pranav Kumar Sonthalia |
| Designation | : Managing Director |
| Date of Appointment | : 22-04-2024 |
| Term of Office | : 5 years from 22-04-2024 |
| Expiration of Term | : 21-04-2029 |
| Qualification | : Postgraduation in Family Managed Business |
| Previous Employment | : Not Applicable |
| Overall Experience | : He has an experience of around 9 years in the logistics and transportation industry. |
| Current Salary | : Rs. 5.00 Lakhs per month |
| Remuneration paid in F.Y. 2022-23) | : Mr. Pranav Kumar Sonthalia was appointed as Managing Director on 22-04-2024, therefore in the financial year 2022- 23 he was receiving remuneration as executive director of Rs. 2.00 lakhs per month. |
| Name | : Mr. Sujay Kundu |
| Designation | : Chief Financial Officer (CFO) |
| Date of Appointment | : 26-02-2024 |
| Qualification | : Bachelor of Commerce. |
| Previous Employment | : United Tradecom Pvt. Ltd |
| Overall Experience | : He is Chief Financial Officer of our company & has been appointed on 26-02-2024. He has an experience of 13 years working in the accounts departments of various entities. |
| Current Salary | : Rs. 0.59 Lakhs per month |
| Remuneration paid in F.Y. 2022-23) | : Mr. Sujay Kundu was appointed as CFO on 26-02-2024, therefore, he was receiving the same remuneration as of the current year. |
| Name | : Mr. Ayon Biswas |
| Designation | : Company Secretary and compliance officer |
| Date of Appointment | : 26-02-2024 |
| Qualification | : Company Secretary |
| Previous Employment | : MSP Group of Companies. |
| Overall Experience | : He is Company Secretary of our company & has been appointed on 26-02-2024. He has an experience of more than 5 years in the secretarial department of various companies. |
| Current Salary | : Rs. 0.46 Lakhs per month |
| Remuneration paid in F.Y. 2022-23) | : Mr. Ayon Biswas was appointed as CS on 26-02-2024, therefore, he was receiving the same remuneration as of the current year. |
| Name | : Mr. Avinash Saigal |
| Designation | : Chief Executive Officer |
| Date of Appointment | : 22-04-2024 |
| Qualification | : Post graduate diploma in Agri business and plantation management |



| | |
|---|--|
| Previous Employment | : More Retail Private Limited |
| Overall Experience | : 17 years in e-commerce business/Textile/Retail/Telecom/Infrastructure Sector. |
| Current Salary | : Rs. 1.00 Lakhs per month |
| Remuneration paid in F.Y. 2022-23) | : Mr. Avinash Saigal was appointed as CEO on 22-04-2024, therefore no remuneration has been received by him in the financial year 2023-24. |

Notes:

- *All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.*
- *There is no agreement or understanding with major shareholders, consumers, suppliers or others pursuant to which any of the above-mentioned personnel was selected as a director or member of senior management.*
- *None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.*

FAMILY RELATIONSHIP BETWEEN KMP

None of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

BONUS AND/ OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except Mr. Pranav Kumar Sonthalia and Mr. Avinash Saigal who holds 79,49,250 and 150 equity shares of the Company respectively, none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

None of our key managerial personnel have any interest in our Company other than their shareholding and remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.



CHANGES IN OUR COMPANY’S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS

Following have been the changes in the Key Managerial Personnel (KMP) during the last three years:

| Name of KMP | Date of Event | Reason for change |
|------------------------|----------------------|--|
| Sujay Kundu | 26-02-2024 | Appointment as Chief Financial Officer |
| Ayon Biswas | 26-02-2024 | Appointment as Company Secretary |
| Pranav Kumar Sonthalia | 22-04-2024 | Change in designation to Managing Director |
| Avinash Saigal | 22-04-2024 | Appointed as Chief Executive Officer. |

Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

SCHEME OF EMPLOYEE STOCK OPTIONS OR EMPLOYEE STOCK PURCHASE

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as provided in restated financial statement in the chapter “*Financial Information*” beginning on page 219 of the Draft Red Herring prospectus, there are no loans outstanding against the key managerial personnel as on the date of this Draft Red Herring Prospectus.

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 219 and 151 respectively of this Draft Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Red Herring Prospectus.

RETIREMENT BENEFITS

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

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OUR PROMOTERS


The Promoter of our Company is:

| S. N. | Name | Category | No. of Shares |
|-------|------------------------|---------------------|---------------|
| 1. | Pranav Kumar Sonthalia | Individual Promoter | 79,49,250 |
| 2. | Shradha Kumari | Individual Promoter | 1,41,750 |
| 3. | Minal Sonthalia | Individual Promoter | 150 |

For details of the build-up of our promoters' shareholding in our Company, see section titled "Capital Structure" beginning on page 78 of this Draft Red Herring Prospectus.


Brief profile of our Individual Promoters is as under:

| | |
|--|--|
|  | <p>Mr. Pranav Kumar Sonthalia is the Promoter and Managing Director of our Company. He is also the founder of the company. He has been appointed as Director of our Company since incorporation and as Managing Director from April 22, 2024. He has completed his Bachelor of Commerce Degree from University of Calcutta, and he also has a post graduate degree in Family managed Business from SPJIMR, Bhartiya Vidya Bhawan. He has an experience of almost 9 years in the logistics and transportation industry. He is the guiding force behind all the strategic decisions of the Company and is entrusted with the responsibility of looking after the overall management and operation of the Company.</p> |
| Name | Mr. Pranav Kumar Sonthalia |
| Age | 29 Years |
| Shareholding | 79,49,250 Equity Shares (98.24 % of the Pre-issue shareholdings) |
| Qualification | Postgraduate In Family Managed Business |
| Personal Address | Rosedale Garden, Tower-1, Flat No.-118, Action Area 3, Kolkata, North 24 Parganas, West Bengal - 700156 |
| Directorship & Other Ventures | <p>Indian Private Companies</p> <ol style="list-style-type: none"> Shri Sai Multicom Private Limited <p>Indian Public Companies: Nil</p> <p>Section 8 companies: Nil</p> <p>Indian LLPs: Nil</p> |

| | |
|---|---|
|  | <p>Ms. Shradha Kumari is the promoter and Executive Director of the Company. She has been appointed as Executive Director on May 25, 2024. She has completed her Bachelor in Retail Management from St. Xavier's College, Ranchi in the year 2023. She has an experience around 5 years in the logistics industry. Her role involves looking after the overall management and operational efficiency of the Company.</p> |
|---|---|



| | |
|--|---|
| Name | Ms. Shradha Kumari |
| Age | 23 Years |
| Shareholding | 1,41,750 Equity Shares (1.75 % of the Pre-issue shareholdings) |
| Qualification | Bachelor in Retail Management |
| Personal Address | Flat No.-8A, Ratan Height, Morabadi, Ranchi, Jharkhand- 834008 |
| Directorship & Other Ventures | Indian Private Companies: Nil Indian Public Companies: Nil Section 8 companies: Nil Indian LLPs: Nil |

| | |
|--|--|
|  | <p>Ms. Minal Sonthalia, aged 27 years, is the promoter and Non-Executive Non-Independent Director of our Company. She has been appointed as Non-Executive Director of our Company on January 8, 2024. She has completed her Bachelor of Education degree from Singhania University in the year 2020 and her Master of Commerce degree from IGNOU in the year 2021. Her role involves analysis of industry trends and assisting the board in making equitable decisions.</p> |
| Name | Ms. Minal Sonthalia |
| Age | 27 Years |
| Shareholding | 150 Equity Shares (0.00% of the Pre-issue shareholdings) |
| Qualification | Bachelor of Education and Master of Commerce |
| Personal Address | Sripur Road West, Kulti, Kulti M, Barddhaman, West Bengal- 713343 |
| Directorship & Other Ventures | Indian Private Companies: Nil Indian Public Companies: Nil Section 8 companies: Nil Indian LLPs: Nil |

Relationship of Promoters with our Directors

Our Promoters are part of our board of directors as Managing Directors and/or Directors. Except as disclosed herein, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

| Promoters | Director | Relationship |
|------------------------|---|---------------|
| Pranav Kumar Sonthalia | Minal Sonthalia, Non-Executive Director | Spouse |
| Pranav Kumar Sonthalia | Shradha Kumari, Executive Director | Brother |
| Shradha Kumari | Pranav Kumar Sonthalia, Managing Director | Sister |
| Shradha Kumari | Minal Sonthalia, Non-Executive Director | Sister-in-law |
| Minal Sonthalia | Pranav Kumar Sonthalia, Managing Director | Spouse |
| Minal Sonthalia | Shradha Kumari, Executive Director | Sister-in-law |



OTHER UNDERTAKINGS AND CONFIRMATIONS

- Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Draft Red Herring Prospectus.
- Our Promoters have confirmed that they have not been identified as willful defaulters.
- No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

INTEREST OF PROMOTERS

Interest in promotion of Our Company

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and having significant control over the management and influencing policy decisions of our Company.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of this Draft Red Herring Prospectus.

Interest as member of Our Company

Our Promoters jointly hold 80,91,150 Equity Shares aggregating to 99.99% of pre-issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and benefits provided to Mr. Pranav Sonthalia, Ms. Shradha Kumari and Ms. Minal Sonthalia given in the chapter titled “*Our Management*” beginning on page number 191 of this Draft Red Herring Prospectus, our Promoters hold no other interest in our Company.

Interest as Director of our Company

Except as stated in the “*Related Party Transactions*” beginning on page number 247 of the Draft Red Herring Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in the chapters titled “*Our Group Entities*” beginning on page 216 of the Draft



Red Herring Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

CHANGE IN THE CONTROL OF OUR COMPANY

Our Promoters are the original promoters of our Company and there has been no change in the management or control of our Company.

LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 265 of this Draft Red Herring Prospectus.

PAYMENT OF BENEFITS TO OUR PROMOTERS AND PROMOTER GROUP DURING THE LAST TWO YEARS

Save and except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing as “11” of the section titled “*Financial Information*” beginning on page number 219 of the Draft Red Herring Prospectus, there has been no Payment or benefit to promoters during the two (2) years preceding the date of filing of this Draft Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Draft Red Herring Prospectus.

OTHER CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Draft Red Herring Prospectus, except as disclosed under chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 265 of this Draft Red Herring Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

GUARANTEES

Except as stated in the section titled “*Financial Statements*” beginning on page 219 of this Draft Red Herring Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.



Related Party Transactions

For details of related party transactions entered into by our Company, please refer to “*Statement of Related Party Transactions*”, as Restated appearing as “Note 11” on page number 247 of the section titled “*Financial Information*” beginning on page number 219 of the Draft Red Herring Prospectus.

Information of our group companies

For details related to our group companies please refer “Our Group Entities” on page no. 216 of this Draft Red Herring Prospectus.

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OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under:

A. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

| Promoters | <i>Pranav Kumar Sonthalia</i> | <i>Shradha Kumari</i> | <i>Minal Sonthalia</i> |
|------------------------|-------------------------------|------------------------|------------------------|
| Father | SS Sonthalia | SS Sonthalia | Rajesh Agarwal |
| Mother | Priti Sonthalia | Priti Sonthalia | Laxmi Devi Agarwal |
| Spouse | Minal Sonthalia | - | Pranav Kumar Sonthalia |
| Brothers | - | Pranav Kumar Sonthalia | Mayukh Agarwal |
| Sister | Shradha Kumari | - | - |
| Son | - | - | - |
| Daughters | - | - | - |
| Spouse Father | Rajesh Agarwal | - | SS Sonthalia |
| Spouse Mother | Laxmi Devi Agarwal | - | Priti Sonthalia |
| Spouse Brothers | Mayukh Agarwal | - | - |
| Spouse Sisters | - | - | Shradha Kumari |

B. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:

| | |
|---|-----|
| Any body corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member. | NIL |
| Any company in which a company (mentioned above) holds 20% of the total holding | NIL |
| Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding | NIL |

COMMON PURSUITS OF OUR PROMOTERS

None of our promoter group entities have business objects similar to our business. If any conflict of interest arises it may have an adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

(This space has been left blank intentionally.)



OUR GROUP ENTITIES

As per section 2(1) (t) of SEBI ICDR Regulations, the term “Group Companies” includes companies (other than promoters and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board. As on the date of this Draft Red Herring Prospectus, we do not have any active Group Entities.

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RELATED PARTY TRANSACTION

For details on related party transactions of our Company, please refer to “Note no. 11” of Restated Financial Statements beginning on page 247 of this Draft Red Herring Prospectus.

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DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be the Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividends in any Financial Year.

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SECTION VI – FINANCIAL INFORMATION

FINANCIAL STATEMENTS AS RESTATED

Independent Auditor’s Examination report on Restated Financial Information of Pranik Logistics Limited (Previously Pranik Logistics Private Limited)

To,
The Board of Directors,
Pranik Logistics Limited,
P.S. Srijan Tech Park, Plot No 52, Block DN, 14th Floor,
Sector V, Salt Lake City Parganas North,
Kolkata, West Bengal, India, 700091

We have examined the attached restated standalone financial information of “Pranik Logistics Limited (hereinafter referred to as “the Company” or “the Issuer”) comprising the restated statement of assets and liabilities as at 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021, restated statement of profit and loss and restated cash flow statement for the financial period/year ended at 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021, and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the “restated standalone financial information” or “restated standalone financial statements”) annexed to this report and initialed by us for identification purposes. These Restated Standalone Financial Statements have been prepared by the management of the Company and approved by the board of directors at the meeting in connection with the proposed Initial Public Offer in SME Platform (“IPO” or “SMEIPO”) of NSE Limited (“NSE”) of the company.

1. The restated summary statements have been prepared in accordance with the requirements of:
 - i. Section 26 of Part – I of Chapter III of Companies Act, 2013 (the “Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) and related amendments/clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”);
 - iii. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Standalone Financial Statements for inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India (“SEBI”), SME platform of NSE Limited (“NSE”) and Registrar of Companies (Kolkata, West Bengal) in connection with the proposed IPO. The Restated Standalone Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Standalone Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Statements. The boards of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Standalone Financial Statements taking into consideration:



- (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed SME IPO;
- (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Statements;
- (iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. The Restated Standalone Financial Statements of the Company have been compiled by the management from:

- (i) Audit for the financial period/year ended on 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021, was conducted by M/s Anand Rajendra & Co, Chartered Accountants, Statutory Auditor. There are no audit qualifications in the audit reports issued by the statutory and tax auditors for the financial period/year ended on 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021, which would require adjustments in the Restated Standalone Financial Statements of the Company. The financial report included for these period/years is based solely on the report submitted by them.
- (ii) The audit was conducted by the company's previous Auditor, and accordingly reliance has been placed on the financial statement examined by them.
- (iii) We have Re-audited the Financial statements of the company in accordance with applicable standard as required under the SEBI ICDR regulations for the financial period/year ended on 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021, prepared in accordance with the Indian Accounting Standards (Indian GAAP) which have been approved by the Board of Directors.
- (iv) Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Standalone Financial Statements:
 - a. We have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications retrospectively in the financial period/year ended on 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021.
 - b. do not require any adjustment for modification as there is no modification in the underlying audit reports;
 - c. there are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d. have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
 - e. Adequate disclosure has been made in the financial statements as required to be made by the issuer as per schedule III of the Companies Act, 2013.
 - f. The accounting standards prescribed under the Companies act, 2013 have been followed.
 - g. The financial statements present a true and fair view of the company's accounts.
- (v) In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
 - a. The "Restated Summary Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021, are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments



and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

- b. The “Restated Summary Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the period ended on 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021, are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- c. The “Restated Summary Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the period ended on 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021, are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- (vi) We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial period/year ended on 31st December 2023, 31st March 2023, 31st March 2022, 31st March 2021, proposed to be included in the Draft Prospectus/Prospectus (“Offer Document”).

| Annexure No. | Particulars |
|---------------------|---|
| I | Restated Statement of Assets & Liabilities |
| I.1 | Restated Statement of Share Capital |
| I.2 | Restated Statement of Reserves & Surpluses |
| I.3 | Restated Statement of Long-Term Borrowings |
| I.4 | Restated Statement of Other Long-Term Liabilities |
| I.5 | Restated Statement of Deferred Tax Liabilities / Assets |
| I.6 | Restated Statement of Long-Term Provisions |
| I.7 | Restated Statement of Short-Term Borrowings |
| I.8 | Restated Statement of Trade Payables |
| I.9 | Restated Statement of Other Current Liabilities |
| I.10 | Restated Statement of Short-Term Provisions |
| I.11 | Restated Statement of Fixed Assets & Depreciations |
| I.12 | Restated Statement of Intangible Assets |
| I.13 | Restated Statement of Non-Current Investment |
| I.14 | Restated Statement of Other Non-Current Assets |
| I.15 | Restated Statement of Inventories |
| I.16 | Restated Statement of Trade Receivable |
| I.17 | Restated Statement of Cash & Cash Equivalent |
| I.18 | Restated Statement of Short-Term Loans and Advances |
| I.19 | Restated Statement of Other Current Assets |



| II | Restated Statement of Profit & Loos |
|------------------------|--|
| II.1 | Restated Statement of Revenue from operations |
| II.2 | Restated Statement of Other Income |
| II.3 | Restated Statement of Cost of Material Consumed |
| II.4 | Restated Statement of Purchases of Stock-in-Trade |
| II.5 | Restated Statement of Changes in Inventories |
| II.6 | Restated Statement of Employees Benefit Expenses |
| II.7 | Restated Statement of Financial Costs |
| II.8 | Restated Statement of Depreciation |
| II.9 | Restated Statement of Other Expenses |
| Other Annexure: | |
| III | Statement of Cash Flow, As Restated |
| IV | Statement of Significant Accounting Policies |
| V | Statement of Restatement Adjustments to Audited Financial Statements |
| VI | Notes to restated financial statements |
| VII | Contingent Liabilities |
| VIII | Statement of Related Parties & Transactions |
| IX | Statement of Significant Accounting Ratios |
| X | Statement of Capitalization |

- (vii) We, M/s. Goyal Parul & Co, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
- (viii) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- (ix) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- (x) Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Goyal Parul & Co.,
Chartered Accountants
Firm Registration No.: 016750N**

**Sd/-
CA Gaurav Gupta**



Partner

Membership No.: 465072

UDIN: 24465072BKAEVR8768

Place: Delhi

Date: 25-05-2024


ANNEXURE- I
RESTATED STATEMENT OF ASSETS AND LIABILITIES
(Amount in Lakh)

| Particulars | | Note No. | For the period ended 31 December, 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|-------------|--|----------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| A. | Equity and Liabilities | | | | | |
| 1 | Shareholders' Funds | | | | | |
| | (a) Share Capital | I.1 | 539.45 | 539.45 | 260.00 | 260.00 |
| | (b) Reserves and Surplus | I.2 | 355.08 | 197.18 | 103.96 | 72.42 |
| | | | 894.53 | 736.63 | 363.96 | 332.42 |
| 2 | Non-Current Liabilities | | | | | |
| | (a) Long-term borrowings | I.3 | 295.88 | 189.38 | 98.76 | 12.50 |
| | (b) Other Long-Term Liabilities | I.4 | - | - | - | - |
| | (c) Deferred Tax Liabilities | I.5 | 3.30 | - | - | - |
| | (d) Long Term Provision | I.6 | - | - | - | - |
| 3 | Current liabilities | | | | | |
| | (a) Short term borrowings | I.7 | 1,688.90 | 1,192.71 | 479.11 | 216.18 |
| | (b) Trade Payables | I.8 | | | | |
| | a. Total Outstanding dues of micro enterprises and small enterprises | | - | - | - | - |
| | b. Total outstanding dues other than micro enterprises and small enterprises | | 48.45 | 45.02 | 367.58 | 255.54 |
| | (c) Other current liabilities | I.9 | 206.07 | 147.95 | 69.27 | 85.01 |
| | (d) Short term provisions | I.10 | 61.78 | 41.05 | 25.81 | 10.16 |
| | | | | | | |
| | Total Equity and Liabilities | | 3,198.91 | 2,352.73 | 1,404.49 | 911.81 |
| B. | Assets | | | | | |
| 1 | Non-current assets | | | | | |
| | (a) Property, plant and equipment and Intangible assets | | | | | |
| | (i) Property, plant and Equipment | I.11 | 407.39 | 382.21 | 131.90 | 22.42 |
| | (ii) Intangible Assets | I.12 | - | - | - | - |
| | (iii) Capital Work In Progress | | | - | - | - |
| | (c) Deferred tax assets (net) | I.5 | - | 2.29 | 3.39 | 4.25 |
| | (b) Non-Current Investments | I.13 | - | - | - | - |
| | (d) Other non-Current Assets | I.14 | 106.75 | 89.97 | 79.13 | 71.04 |
| 2 | Current assets | | | | | |
| | (a) Inventories | I.15 | - | - | - | - |
| | (b) Trade receivables | I.16 | 1,257.01 | 1,086.13 | 658.53 | 516.19 |
| | (c) Cash and Bank Balances | I.17 | 860.64 | 580.36 | 303.93 | 216.19 |
| | (d) Short term loans and advances | I.18 | 525.56 | 187.30 | 217.86 | 81.43 |
| | (e) Other current assets | I.19 | 41.56 | 24.46 | 9.76 | 0.29 |
| | | | | | | |
| | Total | | 3,198.91 | 2,352.74 | 1,404.48 | 911.81 |



RESTATED STATEMENT OF PROFIT AND LOSS

ANNEXURE – II

| Particulars | | Note No. | For the period ended 31 December, 2023 | For the period ended 31 March, 2023 | For the period ended 31 March, 2022 | For the period ended 31 March, 2021 (Rupees in Lakh) |
|-------------|---|----------|--|-------------------------------------|-------------------------------------|---|
| I | Revenue from operations | II.1 | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |
| II | Other income | II.2 | 50.00 | 37.92 | 14.23 | 9.83 |
| III | Total Income (1+2) | | 4,749.42 | 6,090.62 | 3,360.96 | 2,076.58 |
| IV | Expenditure | | | | | |
| | Cost of Material Consumed | II.3 | - | - | - | - |
| | Purchase of Stock-in-Trade | II.4 | - | - | - | - |
| | Change in Inventory of Finished Goods, Work in Progress, Stock in Trade | II.5 | - | - | - | - |
| | Employee benefit expense | II.6 | 767.20 | 810.27 | 440.02 | 426.01 |
| | Financial costs | II.7 | 129.01 | 81.10 | 23.21 | 7.77 |
| | Depreciation and amortization expense | II.8 | 146.52 | 128.66 | 26.35 | 12.78 |
| | Other expenses | II.9 | 3,481.42 | 4,935.21 | 2,823.33 | 1,602.16 |
| | Total Expenses | | 4,524.16 | 5,955.24 | 3,312.91 | 2,048.73 |
| V | Profit/Loss before exceptional & extraordinary items & tax | | 225.26 | 135.38 | 48.05 | 27.85 |
| VI | Exceptional Items | | - | - | - | - |
| VII | Exceptional and extraordinary items & tax | | 225.26 | 135.38 | 48.05 | 27.85 |
| VIII | Extraordinary Items | | - | - | - | - |
| IX | Profit before tax (VII-VIII) | | 225.26 | 135.38 | 48.05 | 27.85 |
| X | Tax expense | | | | | |
| | (I) Tax expense for current year | | 61.78 | 41.05 | 15.65 | 10.16 |
| | (II) Mat Credit Entitlement | | - | - | - | - |
| | (III) Deferred tax | | 5.59 | 1.11 | 0.86 | -0.22 |
| | Total Tax Expense | | 67.37 | 42.15 | 16.51 | 9.94 |
| XI | Profit/(Loss) After Tax (IX-X) | | 157.90 | 93.22 | 31.54 | 17.92 |
| | Earning per Equity shares (of Rs 10 each) | | | | | |
| | (I) Basic & Diluted (Rs.) | II.12 | 2.93 | 1.73 | 1.21 | 0.69 |
| | (II) Annualized (Rs.) | II.12 | 2.93 | 1.73 | 1.21 | 0.69 |



RESTATED STATEMENT OF CASH FLOW

ANNEXURE – III

(Rupees in Lakhs)

| Particulars | Note No. | For the period ended 31 December, 2023 | For the period ended 31 March, 2023 | For the period ended 31 March, 2022 | For the period ended 31 March, 2021 |
|---|--------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| A) Cash Flow from Operating Activities | | | | | |
| Net profit before tax and after prior period item | | 225.26 | 135.38 | 48.05 | 27.85 |
| Adjustments for: | | | | | |
| Depreciation & Amortization | | 146.52 | 128.66 | 26.35 | 12.78 |
| Interest expense on borrowing | | 129.01 | 81.10 | 23.21 | 7.77 |
| Interest Income | | -36.28 | -29.28 | -7.26 | -5.67 |
| | | | | | |
| Operating profit before working capital changes | | 464.52 | 315.85 | 90.35 | 42.74 |
| Change in operating asset and liabilities: | | | | | |
| (Increase) / decrease in trade payable | | 3.43 | (322.55) | 112.03 | 140.93 |
| (Increase) / decrease in other current liability | | 58.12 | 78.68 | (15.74) | 27.41 |
| (Increase) / decrease in short term borrowing | | 496.19 | 713.59 | 262.93 | 216.18 |
| Increase / (decrease) in short term provisions | | 20.73 | 15.23 | 15.65 | 0.86 |
| Increase / (decrease) in trade receivables | | (170.88) | (427.60) | (142.34) | (253.30) |
| Increase / (decrease) in short term loan & advances | | (338.26) | 30.56 | (136.42) | 1.17 |
| Increase / (decrease) in Long term loan & advances | | - | - | - | 21.18 |
| Increase / (decrease) in other current assets | | (17.10) | (14.70) | (9.47) | 0.09 |
| Cash generated from operations | | 516.75 | 389.06 | 176.99 | 197.25 |
| Income taxes (paid)/ Refund Received | | (61.78) | (41.05) | (15.65) | (10.16) |
| Net cash provided / (used) by operating activities | A | 454.98 | 348.01 | 161.34 | 187.09 |
| | | | | | |
| B) Cash flows from investing activities | | | | | |
| Purchase of/ Advance of Property, Plant & equipment and Intangible assets | | (171.70) | (378.96) | (135.83) | (5.66) |
| Sale of Property, Plant & equipment | | - | - | - | 2.93 |
| Interest received | | 36.28 | 29.28 | 7.26 | 5.67 |
| Net cash provided / (used) by investing activities | B | (135.42) | (349.68) | (128.58) | 2.94 |
| | | | | | |
| C) Cash flow from Financing activities | | | | | |
| Proceeds from issue of Equity share | | - | 279.45 | - | 0.00 |
| Proceeds/ (Repayment) of Long Term borrowings | | 89.72 | 79.77 | 78.17 | (0.88) |
| Interest Paid | | (129.01) | (81.10) | (23.21) | (7.77) |
| Net Cash provided / (used) by financing activities | C | (39.28) | 278.12 | 54.96 | (8.66) |
| | | | | | |
| Net increase/Decrease in Cash and Cash equivalents | A+B+C | 280.28 | 276.45 | 87.73 | 181.37 |
| Cash equivalents at the beginning of the period | | 580.36 | 303.93 | 216.19 | 34.82 |
| Cash equivalents at the end of the period | | 860.64 | 580.36 | 303.93 | 216.19 |



ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

(All amount in Indian Rupees in Lakhs, unless otherwise stated)

1 Disclosure of Accounting Policies

- a) Company is engaged in the business of "TRANSPORT & LOGISTICS SERVICES"
- b) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Company (Accounting Standards) Rules 2014, the provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an on-going basis. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.
- c) The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2 Valuation of inventories

- a) Stock of Raw Materials, Stores and spare parts are valued at cost;
- b) Stock of Finished goods and semi-finished goods are valued at cost or net realizable value whichever is lower.
- c) Waste and scraps are accounted at estimated realizable value.

3 Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated. Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and FDRs & margin money with bank.

4 Contingencies and events occurring after Balance Sheet Date

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which



reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes to accounts when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote. Contingent Assets are not recognized in the Financial Statements.

5 Net profit or loss for the period, prior period items and changes in accounting policies

- a) Net Profit or loss for the period and prior period items are shown separately in the Statement of Profit & Loss wherever applicable.
- b) Prior period items are income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods.
- c) Extraordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly.

6 Revenue Recognition

- a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- b) Sales of Goods are accounted for when the sales of goods are completed on accrual basis on completion of transactions of sales on delivery / passage of title to the customer which generally coincides with delivery. Sales shown in the Statement of Profit & Loss are excluding GST.
- c) Commodities Transactions revenue is recognised as and when transaction is completed and there is no uncertainty exists regarding its ultimate collection.
- d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.
- e) Dividend from investment is recognized on received basis.
- f) Exports benefits are accounted for on accrual basis.
- g) Insurance claim is recognised on receipt basis.

7 Accounting for Property, Plant & Equipment

Tangible Assets

- a) Property, Plant & Equipment are stated at cost less accumulated depreciation. Cost includes all incidental expenditure net of all input tax credit availed wherever applicable.
- b) Depreciation on Property, Plant & Equipment is provided for based on useful lives of the Assets as given in Part – C of Schedule II to the Companies Act, 2013.
- c) Depreciation in respect of additions/ deductions of assets has been charged on pro rata basis with reference to the period of use of such assets.
- d) When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.



Intangible Assets

- a) Intangible assets are measured on initial recognition at Cost and subsequently are carried at cost less accumulated amortization and accumulated impairment losses, if any.
- b) The Intangible assets with a finite useful life, but not exceeding ten years, are amortized using straight line method over their estimated useful lives. The estimated useful life is reviewed annually by the management.

Capital Work In Progress

- a) Assets, tangible or intangible, are not ready for their intended use are to be disclosed under Capital Work-in Progress.

8 Accounting for the effects in foreign exchange rates

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions. Exchange gain/Loss on settlement & on conversion of monetary items denominated in foreign currency are dealt in profit & Loss account. Further foreign debtors & creditors are revalued at exchange rates prevailing at the date of balance sheet.

9 Accounting for Investments

Investments, being long term in nature, are valued at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realization of the investments.

10. Employee Benefits

- a) Liability in respect of retirement benefits is provided and/or funded and charged to Profit & loss A/c as follows:
- b) Provision for contribution to defined contribution plan, recognised as expenses during the year as under.
- c) Gratuity is accounted for on cash valuation basis.
- d) The obligation for Leave Encashment recognised, provided for and paid on yearly basis.

11. Borrowing Cost

- a) Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of asset upto the date when such asset is ready for its intended use.
- b) Borrowing costs include interest; amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- c) Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.



12. Segment Reporting

A reportable segment is a business segment or a geographical segment identified on the basis of foregoing definitions for which segment information is required to be disclosed by this Standard.

The basic factor for Business segment is the nature of the products for the Company, which is a distinguishable component that is engaged in providing an individual product or a group of related products and that is subject to risks and returns that are different from those of other business segments or as a whole business.

The basic factor Geographical segment, for the Company, is relationships between operations in different geographical areas in terms of India and Outside India., which is a distinguishable component that is engaged in providing products or within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

13. Earnings per share

Basic and Diluted Earnings per Share are computed in accordance with AS 20-Earning Per Share. Basic earnings per Equity Share is computed by dividing net profit after tax by the weighted average number of Equity Shares outstanding during the year. The Diluted Earnings per Share is computed using the weighted average number of Equity Shares and Diluted Potential Equity Shares outstanding during the year.

14. Accounting for taxes on income

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with Income Tax Act, 1961.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Minimum alternative Tax under the provisions of Income Tax Act, 1961 is recognized as per Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, issued by Institute of Chartered Accountants of India. The credit available under the Act in respect of MAT is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during any period for which the mat credit can be carried forward for set off against the normal tax liability.

15. Provisions, contingent liabilities, and contingent assets

- a) Provisions are made for present obligations arising as a result of past events and it is probable that an outflow of resources will be required to settle the obligation.



- b) Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts.
- c) Contingent assets are neither accounted for nor disclosed by way of Notes on Accounts.

16. Research & Development Expenses

- a) Development and improvement of product is an in-built on going activity within the existing manufacturing facilities
- b) Expenditure on Research & development is not separately allocated and identified.

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Notes to Account:

I.1 Statement of Equity Share Capital

I.1.1 Equity Share Capital

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|----------------------|----------------------|----------------------|
| (a) Authorised Share Capital | | | | |
| Equity Shares Capital | 550.00 | 550.00 | 300.00 | 300.00 |
| Total Authorised Share Capital | 550.00 | 550.00 | 300.00 | 300.00 |
| (b) Issued and Subscribed and Fully Paid Up | | | | |
| Equity shares Capital | 539.45 | 539.45 | 260.00 | 260.00 |
| Total Issued, Subscribed & Fully Paid-up Shares | 539.45 | 539.45 | 260.00 | 260.00 |

Details of No. of Shares

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|----------------------|----------------------|----------------------|
| (a) Authorised Share Capital | | | | |
| No. of Equity Shares | 55,00,000 | 55,00,000 | 30,00,000 | 30,00,000 |
| Face Value per Share is RS | 10.00 | 10.00 | 10.00 | 10.00 |
| Equity Share Capital | 550.00 | 550.00 | 300.00 | 300.00 |
| (b) Issued and Subscribed and Fully Paid Up | | | | |
| No. of Equity Shares | 53,94,500 | 53,94,500 | 26,00,000 | 26,00,000 |
| Face Value per Share is RS | 10.00 | 10.00 | 10.00 | 10.00 |
| Equity Share Capital | 539.45 | 539.45 | 260.00 | 260.00 |

I.1.2 Reconciliation of number of shares outstanding at the beginning and at the end of Reporting year:

| Particulars | As at 31 December, 2023 | | As at 31 March, 2023 | | As at 31 March, 2022 | | As at 31 March, 2021 | |
|--|-------------------------|--------|----------------------|--------|----------------------|--------|----------------------|--------|
| | No. of shares | Amount | No. of shares | Amount | No. of shares | Amount | No. of shares | Amount |
| Equity Shares | | | | | | | | |
| Balances at the beginning of the year | 53,94,500 | 539.45 | 26,00,000 | 260.00 | 26,00,000 | 260.00 | 26,00,000 | 260.00 |
| Issued during the year | - | - | 27,94,500 | 279.45 | - | - | - | - |
| Call Money Receipts for Share issued during the previous share bought back | - | - | - | - | - | - | - | - |
| Balance at the end of reporting year | 53,94,500 | 539.45 | 53,94,500 | 539.45 | 26,00,000 | 260.00 | 26,00,000 | 260.00 |

I.1.3 Terms rights attached to Equity Shares

The company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.



I.1.4 Details of shareholders holding more than 5% shares in the Company

| No. of Shareholder | As at 31 December, 2023 (09 Months) | | As at 31 March, 2023 | | As at 31 March, 2022 | | As at 31 March, 2021 | |
|--|-------------------------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|-----------|
| | No. of shares | % Holding | No. of shares | % Holding | No. of shares | % Holding | No. of shares | % Holding |
| Equity Shares of RS 10 each fully paid-up Pranav Kumar Sonthalia | 53,00,000 | 98.25% | 53,00,000 | 98.25% | 53,00,000 | 98.25% | 53,00,000 | 98.25% |

I.1.5 Details of Promoter shareholding

| No. of Shareholder | As at 31 December, 2023 (09 Months) | | As at 31 March, 2023 | | As at 31 March, 2022 | | As at 31 March, 2021 | |
|---|-------------------------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|-----------|
| | No. of shares | % Holding | No. of shares | % Holding | No. of shares | % Holding | No. of shares | % Holding |
| Equity Shares of RS 10 each fully paid-up | | | | | | | | |
| Pranav Kumar Sonthalia | 53,00,000 | 98.25% | 53,00,000 | 98.25% | 25,80,000 | 99.23% | 25,80,000 | 99.23% |
| Shradha Kumari | 94,500 | 1.75% | 94,500 | 1.75% | 20,000 | 0.77% | 20,000 | 0.77% |
| % change during the year | | | | | | | | |
| Pranav Kumar Sonthalia | - | 0.00% | 27,20,000 | (0.98)% | - | 0.00% | - | 0.00% |
| Shradha Kumari | - | 0.00% | 74,500 | 0.98% | - | 0.00% | - | 0.00% |

I.2 Reserves and Surplus

(Rupees in Lakh)

| Particulars | As at 31 Dec, 2023 (9 Months) | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------------|----------------------|----------------------|----------------------|
| (A) General Reserves | | | | |
| At the beginning of year | - | - | - | - |
| Add: Transfer From Statement of Profit & Loss | - | - | - | - |
| Total (A) | - | - | - | - |
| (B) Security Premium | | | | |
| At the beginning of year | 21.68 | 21.68 | 21.68 | 21.68 |
| Add: Received during the Year | - | - | - | - |
| Total (B) | 21.68 | 21.68 | 21.68 | 21.68 |
| (C) Statement of Profit & Loss A/c | | | | |
| At the beginning of year | 175.50 | 82.27 | 50.73 | 32.82 |
| Add: Profit/(Loss) for the year | 157.90 | 93.22 | 31.54 | 17.92 |
| Less: Transfer to General reserve | - | - | - | - |
| Total (C) | 333.39 | 175.50 | 82.27 | 50.73 |
| Total | 355.08 | 197.18 | 103.96 | 72.42 |

I.3 Long-term Borrowings

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------|-------------------------|----------------------|----------------------|----------------------|
| Secured | | | | |
| (a) Term Loans: | | | | |
| From Banks | - | - | - | - |
| From NBFC: | - | - | - | - |



| | | | | |
|--|---------------|---------------|--------------|--------------|
| (b) GECL Loan: | | | | |
| From Banks | - | - | - | - |
| (c) Vehicle Loans: | | | | |
| From Banks | | | | |
| (i) AXIS BANK | 186.99 | - | - | - |
| Add: Further Loan Sanctioned During the year | - | 236.83 | - | - |
| Less: Principal Repayment During the year | 117.89 | 49.84 | - | - |
| Less: Current Maturities of Long Term Debts | 69.10 | 159.03 | - | - |
| (Secured against hypothecation of vehicle financed) | | | | |
| | - | 27.96 | - | - |
| (ii) ICICI BANK | 30.82 | | - | - |
| Add: Further Loan Sanctioned During the year | - | 40.00 | - | - |
| Less: Principal Repayment During the year | 9.67 | 9.18 | - | - |
| Less: Current Maturities of Long Term Debts | 13.02 | 13.02 | - | - |
| (Secured against hypothecation of vehicle financed) | | | | |
| | 8.14 | 17.80 | - | - |
| (ii) ICICI BANK - Business Loan | - | | - | - |
| Add: Further Loan Sanctioned During the year | 20.00 | - | - | - |
| Less: Principal Repayment During the year | - | - | - | - |
| Less: Current Maturities of Long-Term Debts | - | - | - | - |
| (Secured against hypothecation of vehicle financed) | | | | |
| | 20.00 | - | - | - |
| (ii) YES BANK | - | | - | - |
| Add: Further Loan Sanctioned During the year | 108.16 | - | - | - |
| Less: Principal Repayment During the year | 25.82 | - | - | - |
| Less: Current Maturities of Long-Term Debts | 48.67 | - | - | - |
| (Secured against hypothecation of vehicle financed) | | | | |
| | 33.68 | - | - | - |
| From NBFC | | | | |
| (i) Mahindra Finance Ltd. | 77.26 | 157.95 | - | 2.53 |
| Add: Further Loan Sanctioned During the year | 95.20 | - | 213.20 | |
| Less: Principal Repayment During the year | 100.10 | 80.69 | 55.25 | 2.53 |
| Less: Current Maturities of Long-Term Debts | 72.36 | 77.26 | 80.69 | |
| (Secured against hypothecation of vehicle financed) | | | | |
| | - | - | 77.26 | - |
| (ii) Mercedes Benz Financial Services India Ltd | | | | |
| Add: Further Loan Sanctioned During the year | 69.65 | - | - | - |
| Less: Principal Repayment During the year | 1.25 | - | - | - |
| Less: Current Maturities of Long-Term Debts | 7.46 | - | - | - |
| (Secured against hypothecation of vehicle financed) | | | | |
| | 60.94 | - | - | - |
| (iii) SHRIRAM TRANSPORT FINANCE CO LTD | | | 7.50 | 5.86 |
| Add: Further Loan Sanctioned During the year | | | - | 7.50 |
| Less: Principal Repayment During the year | - | - | 7.50 | 5.86 |
| Less: Current Maturities of Long-Term Debts | | | | |
| (Secured against hypothecation of vehicle financed) | | | 7.50 | 5.86 |
| | - | - | - | 7.50 |
| (iv) HDB Financial Services | 189.93 | - | - | - |
| Add: Further Loan Sanctioned During the year | - | 200.00 | - | - |
| Less: Principal Repayment During the year | 47.24 | 10.07 | - | - |
| Less: Current Maturities of Long Term Debts | 63.71 | 63.71 | - | - |
| (Secured against hypothecation of vehicle financed) | | | | |
| | 78.98 | 126.22 | - | - |
| Total (A) | 201.73 | 171.98 | 77.26 | 7.50 |
| (Unsecured) | | | | |
| (a) From Directors | 53.91 | 9.00 | - | - |
| (i) From Others | 40.24 | 8.40 | 21.50 | 5.00 |
| Total (B) | 94.15 | 17.40 | 21.50 | 5.00 |
| Total | 295.88 | 189.38 | 98.76 | 12.50 |



I.4 Long-term Liabilities

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| Unsecured | - | - | - | - |
| Security/ Dealer Deposits from Agents and Dealers | - | - | - | - |
| Total | - | - | - | - |

I.5 Deferred Tax liability

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| Deferred tax liability | | | | |
| Property Plant and Equipment | 3.30 | (2.29) | (3.39) | (4.25) |
| Tax effect of items constituting deferred tax liability | | | | |
| Deferred tax asset | 3.30 | (2.29) | (3.39) | (4.25) |
| Carried forward Loss and Unabsorbed Depreciation | - | - | - | - |
| Employee benefits and Other Expenses u/s 43B | - | - | - | - |
| Tax effect of items constituting deferred tax assets | | | | |
| Net deferred tax liability / (asset) | 3.30 | (2.29) | (3.39) | (4.25) |

I.6 Long-term Provision

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---------------------------------|-------------------------|----------------------|----------------------|----------------------|
| Provision for Employee benefits | - | - | - | - |
| Total | - | - | - | - |

I.7 Short-term Liabilities

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|----------------------|----------------------|----------------------|
| (A) Secured, (Repayable on Demand) | - | - | - | - |
| Cash Credit- Banks# | - | - | - | - |
| Axis Bank Corporate A/c (Secured by Debtors, Fixed Deposit and Personal Guarantee of Directors) | - | - | - | 216.18 |
| HDFC Bank (Secured by Debtors, Fixed Deposit and Personal Guarantee of Directors) | 1,361.14 | 879.69 | 398.42 | - |
| Tata Motors Finance Ltd - Corporate Loan (Secured by Personal Guarantee of Directors) | 53.44 | - | - | - |
| Current Maturities of Long-Term Debts | 274.32 | 313.02 | 80.69 | - |
| Total | 1,688.90 | 1,192.71 | 479.11 | 216.18 |

#Terms of Loan:

Secured by Hypothecation of Stocks & Book debts, and First pari passu charge over entire fixed assets including equitable mortgage of Immovable properties of the company and further guaranteed by the Directors)

I.8 Trade payables

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|-------------|-------------------------|----------------------|----------------------|----------------------|
| (i) MSME* | - | - | - | - |
| (ii) Others | 48.45 | 45.02 | 367.58 | 255.54 |



| | | | | |
|-----------------------------|--------------|--------------|---------------|---------------|
| (iii) Disputed Dues - MSME | | | | |
| (iv) Disputed dues - others | - | - | - | - |
| Total | 48.45 | 45.02 | 367.58 | 255.54 |

*There are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. There are no identified Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at Dec 31, 2023. This information is disclosed as required under the Micro, Small and Medium Enterprises Development Act, 2006.

I.9 Other current liabilities

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------|-------------------------|----------------------|----------------------|----------------------|
| Statutory Remittances | 201.16 | 77.43 | 33.26 | 57.66 |
| Other Expenses Payable | 4.91 | 70.51 | 36.01 | 27.35 |
| Total | 206.07 | 147.95 | 69.27 | 85.01 |

I.10 Short term Provisions

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--------------------------|-------------------------|----------------------|----------------------|----------------------|
| Provision for income tax | 61.78 | 41.05 | 25.81 | 10.16 |
| Total | 61.78 | 41.05 | 25.81 | 10.16 |

I.11 Property, Plant & Equipment

| Particulars | Computers & Software | Furniture & Fixtures | Office Equipment | Vehicles | Total |
|---|----------------------|----------------------|------------------|---------------|---------------|
| Gross Block | | | | | |
| As at 1 April 2020 | 11.90 | 1.43 | 3.58 | 78.07 | 94.98 |
| Additions | 1.26 | 4.23 | 0.17 | - | 5.66 |
| Disposals / Adjustments | - | - | - | 2.93 | 2.93 |
| As at 31 March 2021 | 13.16 | 5.66 | 3.76 | 75.14 | 97.71 |
| Additions | 3.92 | 1.32 | 1.20 | 129.40 | 135.83 |
| Disposals / Adjustments | - | - | - | - | - |
| As at 31 March 2022 | 17.08 | 6.98 | 4.95 | 204.54 | 233.55 |
| Additions | 1.75 | 0.11 | 7.85 | 6.06 | 378.96 |
| Disposals / Adjustments | - | - | - | - | - |
| As at 31 March 2023 | 6.37 | 7.09 | 19.61 | 6.06 | 612.51 |
| Additions | 6.81 | - | 0.49 | 164.41 | 171.70 |
| Disposals / Adjustments | - | - | - | - | - |
| As at 31 December 2023 | 40.68 | 7.09 | 9.17 | 727.29 | 784.22 |
| Depreciation & Amortization: | | | | | |
| As at 1 April 2020 | 10.54 | 0.41 | 1.54 | 50.02 | 62.52 |
| For the year | 1.25 | 0.73 | 0.93 | 9.87 | 12.78 |
| Adjustments | - | - | - | - | - |
| As at 31 March 2021 | 11.79 | 1.14 | 2.47 | 59.90 | 75.30 |
| for the year* | 1.49 | 0.54 | 0.67 | 23.65 | 26.35 |
| Adjustments | - | - | - | - | - |



| | | | | | |
|-------------------------------|--------------|-------------|-------------|---------------|---------------|
| As at 31 March 2022 | 13.28 | 1.68 | 3.14 | 83.55 | 101.65 |
| for the year* | 6.17 | 1.40 | 1.34 | 119.75 | 128.66 |
| Adjustments | - | - | - | - | - |
| As at 31 March 2023 | 19.45 | 3.08 | 4.48 | 203.29 | 230.30 |
| for the year | 8.59 | 1.07 | 2.04 | 134.83 | 146.52 |
| Adjustments | - | - | - | - | - |
| As at 31 December 2023 | 28.04 | 4.14 | 6.52 | 338.13 | 376.83 |
| | | | | | |
| As at 31 March 2021 | 1.36 | 4.52 | 1.29 | 15.25 | 22.42 |
| As at 31 March 2022 | 3.79 | 5.30 | 1.81 | 121.00 | 131.90 |
| As at 31 March 2023 | 14.42 | 4.01 | 4.19 | 359.59 | 382.21 |
| As at 31 December 2023 | 12.64 | 2.94 | 2.64 | 389.16 | 407.39 |

I.12 Intangible Assets

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--------------|-------------------------|----------------------|----------------------|----------------------|
| Net Block | - | - | - | - |
| Total | - | - | - | - |

I.13 Non-Current Investment:

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|----------------------|----------------------|----------------------|
| (Valued at Cost unless stated otherwise) | | | | |
| Quoted Investments | - | - | - | - |
| Total | - | - | - | - |

(Market Values/ Fair Values)

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|-------------------------------------|-------------------------|----------------------|----------------------|----------------------|
| Total Quoted Shares | - | - | - | - |
| Total Unquoted Investments | - | - | - | - |
| Total Investments in Subsidiaries | - | - | - | - |
| Total Investments in Joint Ventures | - | - | - | - |
| Total | - | - | - | - |

I.14 Other Non-Current Assets

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|-------------------|-------------------------|----------------------|----------------------|----------------------|
| Security Deposits | 106.75 | 89.97 | 79.13 | 71.04 |
| Total | 106.75 | 89.97 | 79.13 | 71.04 |

I.15 Statement of Inventory

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| (As taken valued and certified by the management) | | | | |
| Raw Material | - | - | - | - |
| Finished Goods | - | - | - | - |
| Work in Progress | - | - | - | - |



| | | | | |
|----------------------------------|----------|----------|----------|----------|
| Scrap | - | - | - | - |
| Store, Spare Parts & Loose Tools | - | - | - | - |
| Total | - | - | - | - |

I.16 Trade Receivables

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| (Unsecured, considered good) | | | | |
| Undisputed Trade Receivables- Considered Goods | 1,257.01 | 1,086.13 | 658.53 | 516.19 |
| Undisputed Trade Receivables- Considered Doubtful | - | - | - | - |
| Disputed Trade Receivables- Considered Goods | - | - | - | - |
| Disputed Trade Receivables- Considered Doubtful | - | - | - | - |
| Total | 1,257.01 | 1,086.13 | 658.53 | 516.19 |

Trade Receivables ageing schedule

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|----------------------|----------------------|----------------------|
| Undisputed trade receivable - considered good | | | | |
| Less than six months | 1,160.03 | 1,047.54 | 642.22 | 495.61 |
| 6 months - 1 year | 42.32 | 6.68 | 0.75 | 6.22 |
| 1-2 years | 31.54 | 17.46 | 1.20 | 14.36 |
| 2-3 years | 9.66 | 0.09 | 14.36 | - |
| More than 3 years | 13.47 | 14.36 | - | - |
| Total | 1,257.01 | 1,086.13 | 658.53 | 516.19 |

I.17 Cash and Bank Balance:

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| Cash and Cash Equivalents | | | | |
| Cash in hand | 30.57 | 21.93 | 9.12 | 46.11 |
| Cheques in hand | - | - | - | - |
| Balances with Banks in Current Accounts | 0.11 | 0.11 | 0.06 | 1.93 |
| Others Cash and Bank Balances | | | | |
| Deposits with Banks | 829.96 | 529.19 | 266.18 | 168.16 |
| Others | - | 29.13 | 28.57 | - |
| Total | 860.64 | 580.36 | 303.93 | 216.19 |

I.18 Short Term Loans and Advances:

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| (a) Advances to Staffs & Others | 5.77 | 2.74 | 25.65 | 0.30 |
| (b) Balance With Government Authorities | 106.93 | 138.33 | 109.16 | 63.93 |
| (c) Advances to Suppliers & Others | 412.86 | 46.23 | 83.05 | 17.21 |
| Total | 525.56 | 187.31 | 217.86 | 81.43 |

I.19 Other Current Assets

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|----------------------|-------------------------|----------------------|----------------------|----------------------|
| Other Current Assets | 41.56 | 24.46 | 9.76 | 0.29 |
| Total | 41.56 | 24.46 | 9.76 | 0.29 |

II.1 Revenue from operations

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|-------------------|-------------------------|----------------------|----------------------|----------------------|
| (A) Sale of Goods | - | - | - | - |



| | | | | |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|
| (B) Sale of Services | | | | |
| Carrying & Forwarding Agents | 4,143.45 | 5249.92 | 2718.47 | 1460.87 |
| Godown Rent Charges | 57.94 | 100.47 | 114.28 | 66.78 |
| SPA Charges | 113.41 | 126.59 | 137.42 | 134.87 |
| Manpower Charges | 151.72 | 173.51 | 151.95 | 242.87 |
| Storage & Warehouse | 232.87 | 375.46 | 217.15 | 155.34 |
| Total (B) | 4,699.40 | 6,025.96 | 3,339.27 | 2,060.74 |
| (C) Other operating Revenues | | | | |
| Misc. Charges | 0.03 | 26.74 | 7.46 | 6.01 |
| Total (C) | 0.03 | 26.74 | 7.46 | 6.01 |
| Total (A+B+C) | 4,699.43 | 6,052.70 | 3,346.73 | 2,066.75 |

II.2 Other Income

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------------|-------------------------|----------------------|----------------------|----------------------|
| Interest on FD | 35.30 | 20.87 | 5.55 | 3.67 |
| Interest on RD | - | - | 0.06 | 0.03 |
| Interest on IT Refund | 0.99 | 6.19 | - | - |
| Misc Income | 7.90 | 7.39 | 6.77 | 4.06 |
| Interest on Security Deposit | - | 2.22 | 1.71 | 2.01 |
| Discount Received | 5.81 | 1.25 | 0.14 | 0.07 |
| Total | 50.00 | 37.92 | 14.23 | 9.83 |

II.3 Raw Material Consumed

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| | N.A | N.A | N.A | N.A |
| Total | - | - | - | - |

II.4 Purchase of stock in Trade

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| | N.A | N.A | N.A | N.A |
| Total | - | - | - | - |

II.5 Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| <u>Inventories at the end of the year/period:</u> | | | | |
| Finished Goods | - | - | - | - |
| Work in progress | - | - | - | - |
| Scrap | - | - | - | - |
| | - | - | - | - |
| <u>Inventories at the beginning of the year/period:</u> | | | | |
| Finished Goods | - | - | - | - |
| Work in progress | - | - | - | - |
| Scrap | - | - | - | - |
| | - | - | - | - |
| Net (increase) / decrease in inventories of stock-in-trade | - | - | - | - |

II.6 Employee Benefits Expenses

(Rupees in Lakh)

| Particulars | As at 31 | As at 31 | As at 31 | As at 31 |
|-------------|----------|----------|----------|----------|
|-------------|----------|----------|----------|----------|



| | December, 2023 | March, 2023 | March, 2022 | March, 2021 |
|-------------------------|----------------|---------------|---------------|---------------|
| Salaries and Wages | 734.15 | 767.45 | 410.23 | 406.39 |
| Director's Remuneration | 22.00 | 15.70 | 11.40 | 6.00 |
| Staff Welfare Expenses | 11.05 | 27.12 | 18.39 | 13.62 |
| Total | 767.20 | 810.27 | 440.02 | 426.01 |

II.7 Financial costs

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| (a) Interest expense on: | | | | |
| (i) Vehicle Loan | 35.43 | 25.50 | 3.70 | 0.69 |
| (ii) Axis Corporate Loan | 90.48 | 2.05 | 8.46 | 7.08 |
| (iii) HDFC Cash Credit Loan | 0.84 | 53.56 | 11.06 | - |
| (iv) Tata Motors Finance Ltd Corporate Loan | 2.26 | - | - | - |
| Total | 129.01 | 81.10 | 23.21 | 7.77 |

II.8 Depreciation & amortization

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| Depreciation on Property, Plant & Equipment | 146.52 | 128.66 | 26.35 | 12.78 |
| Total | 146.52 | 128.66 | 26.35 | 12.78 |

II.9 Other expenses

(Rupees in Lakh)

| Particulars | As at 31 December 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--|------------------------|----------------------|----------------------|----------------------|
| Direct Expenses | | | | |
| Power & Fuel | 322.83 | 258.98 | 106.46 | 88.14 |
| Rent including lease rentals | 114.18 | 125.35 | 110.26 | 67.91 |
| Detention & Demurrage Expenses | 0.69 | 1.46 | 1.45 | 2.75 |
| Stacking Expenses | - | - | - | 0.01 |
| Freight & Forwarding | 2,860.05 | 4,338.95 | 2,493.25 | 1,269.20 |
| Spoilage & Damages | 0.23 | 3.37 | 6.94 | 15.79 |
| Administrative Expenses | | | | |
| Bank Charges | 5.78 | 2.69 | 0.74 | 0.53 |
| Filing Fees | - | 1.97 | 0.02 | 0.08 |
| Communication | - | - | 2.48 | 2.92 |
| Car Hire Charges | 3.19 | 3.24 | 4.15 | 1.91 |
| Computer & Software Expenses | - | - | 0.88 | 0.12 |
| Travelling & Conveyance | 46.68 | 23.06 | 28.61 | 30.05 |
| Printing & Stationery | 1.77 | 3.38 | 3.70 | 19.58 |
| Postage & Courier | - | 0.41 | 0.44 | 0.12 |
| Donations & Contributions | 1.10 | - | - | 0.16 |
| Late Fees, Fines & Penalty | 0.66 | 2.30 | 1.38 | 4.16 |
| Legal & Professional | 5.59 | 4.99 | 3.87 | 6.65 |
| Rebates & Discounts | - | - | - | 0.01 |
| Payments to Auditor | - | 1.00 | 1.00 | 0.60 |
| Motor Car Insurance | 11.66 | 15.67 | 2.93 | 3.09 |
| Loan Processing Charges | 3.09 | 0.84 | 12.08 | 1.70 |
| License Fees | - | - | 0.04 | 0.46 |
| Office Expenses | 37.38 | 78.06 | 5.79 | 15.54 |
| Repairs & Maintenance | 26.68 | 27.01 | 2.63 | 18.63 |
| General Expenses | 0.48 | 1.78 | 4.75 | 12.45 |
| Miscellaneous Expenses | 29.73 | 31.04 | 12.09 | 24.25 |
| Selling & Distribution Expenses | | | | |



| | | | | |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|
| Advertisement Expense | - | - | - | 0.21 |
| Brokerage & Commission Charges | 1.73 | 0.47 | 2.17 | 0.06 |
| Business Promotion | - | 1.06 | 11.59 | 14.15 |
| Entertainment Expenses | 7.92 | 8.11 | 3.64 | 0.95 |
| Total | 3,481.42 | 4,935.21 | 2,823.33 | 1,602.16 |

Payment to Auditors Comprises:

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|-------------------------------|-------------------------|----------------------|----------------------|----------------------|
| As auditors - statutory audit | - | 1.00 | 1.00 | 0.60 |
| For taxation matters | - | - | - | - |
| Total | - | 1.00 | 1.00 | 0.60 |

II.11 Restated Statement of Earnings in Foreign currency

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March 2023 | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|--|----------------------------------|----------------------------------|----------------------------------|
| Earnings in foreign exchange classified under the following heads, Export of goods calculated on F.O.B basis; Royalty, know-how, professional and consultation fees; Interest and dividend; Other income, indicating the nature thereof | N.A | N.A | N.A | N.A |

II.12 Earnings Per Share

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| Basic earning per share | | | | |
| Profit after tax | 157.90 | 93.22 | 31.54 | 17.92 |
| Weighted average number of shares (For Basic EPS) | 53,94,500 | 53,94,500 | 26,00,000 | 26,00,000 |
| Basic EPS | 2.93 | 1.73 | 1.21 | 0.69 |
| Diluted earning per share | | | | |
| Profit after tax | 157.90 | 93.22 | 31.54 | 17.92 |
| Add/(less): Effect of dilution on profit | - | - | - | - |
| Revised profit after tax | 157.90 | 93.22 | 31.54 | 17.92 |
| Weighted average number of shares (For Diluted EPS) | 53,94,500 | 53,94,500 | 26,00,000 | 26,00,000 |
| Diluted EPS | 2.93 | 1.73 | 1.21 | 0.69 |

Not annualized

* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earnings per share of the company remain the same.



Annexure V

Statement of Restatement Adjustments to Audited Financial Statements

V.1 Reconciliation between Audited Profit and Restated Profit

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| A. Profit after tax (as per audited financial statements) | 157.90 | 93.22 | 31.54 | 17.92 |
| B. Add/(Less) : Adjustments on account of - | - | - | - | - |
| 1. Provision for Income Years for Prior Period | - | - | - | - |
| 2. Change in Provision of Gratuity Estimates | - | - | - | - |
| 3. Professional Expenses related to Previous Years | - | - | - | - |
| 4. Deferred Tax | - | - | - | - |
| 5. Provision for Taxation and MAT Credit | - | - | - | - |
| Restated Profit | 157.90 | 93.22 | 31.54 | 17.92 |

V.2 Reconciliation between Opening Balance of Profit and Loss under Reserves and Surplus for the FY 20-21

(Rupees in Lakh)

| Particulars | As on April 1, 2020 |
|--|---------------------|
| (A) Opening Balance of surplus | 32.82 |
| Add/(Less) : Adjustments on account of - | - |
| 1. Provision for Income Years for Prior Period | - |
| 2. Change in Provision of Gratuity Estimates | - |
| 3. Professional Expenses related to Previous Years | - |
| 4. Deferred Tax | - |
| 5. Provision for Taxation and MAT Credit | - |
| Total Adjustments (B) | - |
| Restated Opening Balance of surplus (A+B) | 32.82 |

V.3 Reconciliation between Total Audited Equity and Total Restated Profit

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|----------------------|----------------------|----------------------|
| A. Total Equity as per audited financial statements | 900.12 | 736.63 | 363.96 | 332.42 |
| B. Restatement Adjustments | | | | |
| (i) Audit Qualifications | - | - | - | - |
| (ii) Other material adjustments | - | - | - | - |
| Income Tax Provisions and Mat Credit | - | - | - | - |
| Deferred Tax Provisions | - | - | - | - |
| Change in Provision of Gratuity Estimates | - | - | - | - |
| Prior Period Expenses | - | - | - | - |
| C. Total Equity as Restated Statement of Assets and Liabilities(A+B) | 900.12 | 736.63 | 363.96 | 332.42 |

(here total equity means Equity Share Capital and Reserves and Surplus)

Material Regrouping

Appropriate re-groupings have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of Cash Flows. wherever required. by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per AS financial information of the Company for the period ended March 31, 2023 prepared in accordance with Schedule III of Companies Act, 2013 and other applicable AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

Non-Adjusting Items

There are no non adjusting items



Other Notes to the Restated Standalone Financial Statements

1. The figures of the previous year have been regrouped / recast wherever necessary so as to make them comparable with current year's figures. Figures have been rounded off to the nearest lakhs.
2. In the absence of necessary information in relation to the suppliers registered as Micro or Small enterprises under Micro, Small and Medium Enterprises (Development) Act, 2006, the company has not been able to identify such suppliers and the information required under the said Act could not be complied and disclosed.
3. In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated if realized in ordinary course of business. Provisions for known liabilities are made & not in excess of the amount reasonably necessary. Moreover Balances of Unsecured Loans, Receivables, Loans & Advances and Current Liabilities are subject to confirmation, reconciliation and adjustments, if any.
4. **Letter of credit for supply of raw material opened on behalf of company has been included in Trade payable.**

| Particulars | For the period ended 31 Dec 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|------------------|---|-----------------------------------|-----------------------------------|-----------------------------------|
| Letter of credit | N.A | N.A | N.A | N.A |

5. Corporate social responsibility expenses

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| a) Gross amount required to be spent by the Company during the year/period | N.A | N.A | N.A | N.A |
| b) total of previous years shortfall, | | | | |
| c) Total amount required to be spent | | | | |
| b) Gross amount provided for CSR activities | | | | |
| c) Amount spent during the period / year | | | | |
| d) shortfall at the end of the period / year | | | | |
| f) reason for shortfall | | | | |
| g) nature of CSR activities, | Not Applicable | | | |

*The CSR Committee was examining and evaluating suitable proposals for deployment of fund towards CSR initiatives, but due to outburst of COVID-19 and state wise lockdown restrictions imposed by the state governments the company was unable to spend the CSR amount. However, the CSR Committee expects finalization of such proposal in due course and the board has decided to deposit the pending amount in a separate bank account.

6. Segment reporting

Based on guiding principle given in Accounting Standard 17 'Segment reporting, Issued by the Institute of Chartered Accountants of India

a) Primary Segment (Business Segment):

The Company is engaged in the business of "TRANSPORT & LOGISTICS SERVICES". The entire operations are governed by the same set of risk and returns. Hence, the same has been considered as representing a single Business Segment.

b) Secondary Segment (Geographical Segments)

During the both reporting periods, Current and previous year, the Company's major sale are located only in India. Hence, the same has been considered as representing a single Geographical Segment.



7. Disclosure Requirement under Section 186(4) of Companies Act, 2013.

| Particular | | |
|-------------------------------|------|------|
| Category | Loan | Loan |
| As at April 01, 2020 | | |
| Given during the year | | |
| Received back during the year | | |
| As at March 31, 2021 | | |
| Given during the year | | |
| Received back during the year | | |
| As at March 31, 2022 | NA | NA |
| Given during the year | | |
| Received back during the year | | |
| As at March 31, 2023 | | |
| Given during the year | | |
| Received back during the year | | |
| As at Dec 31, 2023 | | |

8. Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption.

| Particular | For the period ended 31 Dec, 2023 (9 Months) | | For the year ended 31 March, 2023 | |
|--|--|--------------|-----------------------------------|--------------|
| | Rs. | (%) | Rs. | (%) |
| A. Raw Materials and Components | | | | |
| (I) Imported | | Nil | | Nil |
| (II) Indigenous | | Nil | | Nil |
| Total | - | 0.00% | - | 0.00% |
| B. Stores & Spares | | | | |
| (I) Imported | | Nil | | Nil |
| (II) Indigenous | | Nil | | Nil |
| Total | 0 | 0.00% | 0 | 0.00% |

| Particular | For the year ended 31 March, 2022 | | For the year ended 31 March, 2021 | |
|--|-----------------------------------|--------------|-----------------------------------|--------------|
| | Rs. | (%) | Rs. | (%) |
| A. Raw Materials and Components | | | | |
| (I) Imported | | Nil | | Nil |
| (II) Indigenous | | Nil | | Nil |
| Total | | | | |
| B. Stores & Spares | | | | |
| (I) Imported | | Nil | | Nil |
| (II) Indigenous | | Nil | | Nil |
| Total | 0 | 0.00% | 0 | 0.00% |



9. Employee benefit Plan

(A) Defined benefit Plan

The defined benefit plan operated by the Company is as below:

Retiring gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company does not make any contributions to gratuity funds and the plan is unfunded. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The defined benefit plans expose the Company to a number of actuarial risks as below:

(a) Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.

(b) Interest risk:

A decrease in the bond interstate (discount rate) will increase the plan liability.

(c) Mortality risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table.

(d) Salary risk:

The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The following table sets out the amounts recognized in the financial statements in respect of retiring gratuity plan:

i. Change in Defined Benefit Obligation (DBO)

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Present value of DBO at the beginning of the year | - | - | - | - |
| Current service cost | - | - | - | - |
| Interest cost | - | - | - | - |
| Actuarial (gain) / loss | - | - | - | - |
| Benefits paid | - | - | - | - |
| Present value of DBO at the end of the year | - | - | - | - |

ii. Change in fair value of plant assets

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Fair value of plan assets at the beginning of the year | - | - | - | - |
| Interest income | - | - | - | - |
| Employer contributions | - | - | - | - |
| Benefits paid | - | - | - | - |
| Fair value of plan assets at the end of the year | - | - | - | - |

iii. Amounts recognised in the Balance Sheet



| Particulars | As at 31 Dec, 2023 (9 Months) | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------------------|----------------------------|----------------------------|----------------------------|
| Present value of DBO at the end of the year | - | - | - | - |
| Fair value of plan assets at the end of the year | - | - | - | - |
| Net Liability recognised in the Balance Sheet | - | - | - | - |

iv. **Components of employer expense**

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|---|---|---|---|
| Current service cost | - | - | - | - |
| Interest cost | - | - | - | - |
| Actuarial (gain) / loss | - | - | - | - |
| Expense recognised in Statement of Profit and Loss | - | - | - | - |

v. **Other comprehensive income**

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|---|---|---|---|
| Experience adjustments on plan liabilities | - | - | - | - |
| Actuarial loss/(gain) due to change in financial assumptions | - | - | - | - |
| Actuarial loss/ (gain) due to change in demographic assumption | - | - | - | - |
| Remeasurements recognised in other comprehensive income | - | - | - | - |

vi. **Nature and extent of investment details of the plan assets**

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|------------------------------|---|---|---|---|
| State and Central Securities | 0% | 0% | 0% | 0% |
| Bonds | 0% | 0% | 0% | 0% |
| Special deposits | 0% | 0% | 0% | 0% |
| Insurer managed funds | 0% | 0% | 0% | 0% |

vii. **Assumptions**

| Particulars | For the period ended 31 Dec, 2023 (9 Months) | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---------------|---|---|---|---|
| Discount Rate | | | | |



| | | | | |
|-------------------------------|--|--|--|--|
| Salary Increase Rate | | | | |
| Rate of Return on Plan Assets | | | | |
| Mortality Table | | | | |
| Retirement Age | | | | |
| Withdrawal rates | | | | |

**(B) Defined Contribution Plan
Provident fund and pension**

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the employee provident fund organization (EPFO).

10. Contingent Liabilities

(Rupees in Lakh)

| Particulars | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|----------------------|----------------------|----------------------|
| 1. Bank Guarantee/LC Discounting for which FDR margin money has been given to the bank as Security | Nil | Nil | Nil | Nil |
| 2. Entry Tax matters pending in various courts | Nil | Nil | Nil | Nil |
| 3. Income Tax Demand | Nil | Nil | Nil | Nil |
| Total | Nil | Nil | Nil | Nil |

11. Related Party Disclosure

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18:

Names of related party and relationship:

1. Shareholders having significant influence: NIL

2. Key Managerial Personnel:

- i) Pranav Kumar Sonthalia
- ii) Shradha Kumari

a) Transactions with related parties

(Rupees in Lakh)

| Name | Nature of Relationship | Nature of Transaction | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------|------------------------|-----------------------|-------------------------|----------------------|----------------------|----------------------|
| Pranav Kumar Sonthalia | Director | Remuneration | 18.00 | 11.50 | 8.40 | 6.00 |
| | | Loan Taken | 53.91 | 9.00 | - | - |
| Shradha Kumari | Director | Remuneration | 4.00 | 4.20 | 3.00 | - |

b) Balances outstanding

| Name | Nature of Relationship | Nature of Transaction | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------|------------------------|-----------------------|-------------------------|----------------------|----------------------|----------------------|
| Pranav Kumar Sonthalia | Director | Loan Outstanding | 53.91 | 9.00 | - | - |

12. Analytical Ratios

(Amount in Lakh)

| Ratio | As at 31 December, 2023 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|-----------------------------|-------------------------|----------------------|----------------------|----------------------|
| Current Ratio | 1.34 | 1.32 | 1.26 | 1.44 |
| Debt-Equity Ratio, | 2.22 | 1.88 | 1.59 | 0.69 |
| Debt Service Coverage Ratio | 3.88 | 4.26 | 4.20 | 6.23 |
| Return on Equity Ratio | 0.18 | 0.13 | 0.09 | 0.05 |



| | | | | |
|--------------------------------------|--------------------------|-------|---------------------------|------|
| Inventory turnover ratio | N.A | N.A | N.A | N.A |
| Trade Receivables turnover ratio | 3.74 | 5.57 | 5.08 | 4.00 |
| Trade payables turnover ratio | N.A | N.A | N.A | N.A |
| Net capital turnover ratio | 6.92 | 13.40 | 13.48 | 8.36 |
| Net profit ratio | 0.03 | 0.02 | 0.01 | 0.01 |
| Return on Capital employed | 0.30 | 0.23 | 0.15 | 0.10 |
| Methodology | | | | |
| Ratio | Numerator | | Denominator | |
| (a) Current Ratio | Current Assets | | Current Liabilities | |
| (b) Debt-Equity Ratio | Total Debt | | Shareholder's Equity | |
| (c) Debt Service Coverage Ratio | EBIT | | Total Debt + Finance Cost | |
| (d) Return on Equity Ratio | Profit for the year | | Shareholder's Equity | |
| (e) Inventory turnover ratio | Revenue from operations | | Average Inventory | |
| (f) Trade Receivables turnover ratio | Revenue from operations | | Average Trade Receivables | |
| (g) Trade payables turnover ratio | Total Operating Expenses | | Average Trade Payables | |
| (h) Net capital turnover ratio | Revenue from operations | | Working Capital | |
| (i) Net profit ratio (%) | Profit for the year | | Revenue from operations | |
| (j) Return on Capital employed (%) | EBIT | | Capital Employed | |

13. Restated Statement of Capitalization

(Amount in Lakh)

| Particulars | As at 31 December, 2023 (Pre Issue) | Post Issue |
|-----------------------------------|--|------------|
| Debt | | |
| Short Term Debt | 1,192.71 | [•] |
| Long Term Debt | 189.38 | [•] |
| Total Debt | 1,382.09 | [•] |
| Shareholders' Fund (Equity) | | |
| Share Capital | 539.45 | [•] |
| Reserves & Surplus | 197.18 | [•] |
| Total Shareholders' Fund (Equity) | 736.63 | [•] |
| Long Term Debt/Equity | 0.26 | [•] |
| Total Debt/Equity | 1.88 | [•] |

Notes:-

1. Short term debts represent which are expected to be paid/payable in 12 months.
2. Long term debts represent debts other than Short-term debts as defined above.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2023.



OTHER FINANCIAL INFORMATION

For Details on other financial information please refer to Note 34– “Analytical Ratios” on page 12 under the chapter titled Financial Statements as Restated beginning on page 247 of this Draft Red Herring Prospectus.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended 31 December 2023 and financial year ended March 31, 2023, and for the financial year ended March 31, 2022, and 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page 219 of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 27 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 18 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Pranik Logistics Limited (Formerly Known as Pranik Logistics Private Limited), our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period December 2023, and Financial Years 2023, 2022 & 2021 included in this Draft Red Herring Prospectus beginning on page 219 of this Draft Red Herring Prospectus.

BUSINESS OVERVIEW

Our company is engaged as carrying and forwarding agent providing end-to-end Logistics solutions i.e. from the point of origin to the point of consumption, in order to meet the needs of our customers and corporations. We are a pan India logistics provider, acting as carrying and forwarding agent and providing integrated services including transportation, warehousing, material handling and freight forwarding to our customers belonging to various industries such as Automotive, Engineering, Construction, Customer durables, Retail, Textile etc.

Since our establishment in 2015, we have over the period expanded the ambit of our services. We offer customized services as per the requirements of our customers. We have a dedicated team of employees and agents, who manage the entire supply chain effectively and efficiently.

As on the date of this Draft Red Herring Prospectus, we manage a fleet of commercial vehicles, comprising more than 80 vehicles that we own, and any further requirement is managed through leasing the vehicles on trip-to-trip basis. Our fleet encompasses various types of trucks categorized by design, size, and capacity. Our Container Trucks are utilized for parcel transportation, while Platform Trucks handle heavy-duty goods like automotive parts and machinery. For detailed information on the different vehicle categories within our fleet, please see "Our Fleet Strength" on page 163 of this Draft Red Herring Prospectus. The diversity of our transportation vehicles allows us to cater to a wide range of consignments. Further, as on the date of this Draft Red Herring Prospectus, we operate a total of 30 warehouses, which are directly managed by our company. For detailed information on the warehouses of the company, please refer to page 157 of this Draft Red Herring



Prospectus.

The technological systems that our company uses for managing the logistics operations are provided by our clients that enable us to improve our service quality, consistency and increase our operating efficiency. Our accounting systems also enable us to implement stringent financial controls.

We have obtained certifications from FSSAI for facilitating the delivery of perishable goods. We believe that adopting and employing global standards will attract more customers to our Company.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD

As per mutual discussion between the Board of the Company and BRLM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed a resolution on May 23, 2024 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The Shareholders of our Company has approved and passed a resolution on May 25, 2024 to authorize the issue by way of Initial Public Offering.
- The Shareholders of our company appointed Mr. Pranav Sonthalia as Managing Director w.e.f. 22 April 2024 in the Extra- Ordinary General Meeting held on April 22, 2024.
- The shareholders of our Company appointed Ms. Shradha Kumari as Executive Director in the Extra Ordinary General Meeting held on May 25, 2024.
- The shareholders of our Company appointed Ms. Nimisha Bhadrakumar Shah and Mr. K G Raghuraman as Independent Directors in the Extra-Ordinary General Meeting held on May 24, 2024.
- The board of directors in its meeting held on April 22, 2024, appointed Mr. Avinash Saigal as Chief Executive Officer of the Company w.e.f. April 22, 2024.
- The board of directors in its meeting held on February 26, 2024, appointed Mr. Ayon Biswas as Company Secretary & Compliance officer of the Company & appointed Mr. Sujay Kundu as Chief Financial Officer of the Company w.e.f. February 26, 2024, respectively.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 27 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular Sector may adversely affect our business and financial condition;
- Volatility in the Indian and global capital market;



MANAGEMENT'S DISCUSSION ON RESULTS OF OPERATION

(Rs. In Lakhs)

| S.N. | Particulars | For the period ended | | For the year ended | | | | | |
|------|---|----------------------|----------------------|--------------------|----------------------|-----------------|----------------------|-----------------|----------------------|
| | | December 31, 2023 | %age of Total Income | March 31, 2023 | %age of Total Income | March 31, 2022 | %age of Total Income | March 31, 2021 | %age of Total Income |
| I | Revenue from Operations | 4,699.43 | 98.95% | 6,052.70 | 99.38% | 3,346.73 | 99.58% | 2,066.75 | 99.53% |
| II | Other Income | 50.00 | 1.05% | 37.92 | 0.62% | 14.23 | 0.42% | 9.83 | 0.47% |
| III | Total Income (I + II) | 4,749.42 | 100% | 6,090.62 | 100% | 3,360.96 | 100% | 2,076.58 | 100% |
| IV | Expenses | | | | | | | | |
| | (a) Cost of Material Consumed | - | | - | | - | | - | |
| | (b) Purchases of Stock-in-Trade | - | | - | | - | | - | |
| | "(c) Changes in Inventories of Finished Goods, work in Progress and Stock in Trade" | - | | - | | - | | - | |
| | (d) Employee Benefits Expenses | 767.20 | 16.15% | 810.27 | 13.30% | 440.02 | 13.09% | 426.01 | 20.51% |
| | (e) Finance Costs | 129.01 | 2.72% | 81.10 | 1.33% | 23.21 | 0.69% | 7.77 | 0.37% |
| | (f) Depreciation and Amortisation Expenses | 146.52 | 3.09% | 128.66 | 2.11% | 26.35 | 0.78% | 12.78 | 0.62% |
| | (g) Other Expenses | 3,481.42 | 73.30% | 4,935.21 | 81.03% | 2,823.33 | 84.00% | 1,602.16 | 77.15% |
| | Total Expenses (IV) | 4,524.16 | 95.26% | 5,955.24 | 97.78% | 3,312.91 | 98.57% | 2,048.73 | 98.66% |
| V | Profit before exceptional and extraordinary items and tax (III-IV) | 225.26 | 4.74% | 135.38 | 2.22% | 48.05 | 1.43% | 27.85 | 1.34% |
| VI | Exceptional Items | - | - | - | - | - | - | - | - |
| VII | Profit before extraordinary items and tax | 225.26 | 4.74% | 135.38 | 2.22% | 48.05 | 1.43% | 27.85 | 1.34% |
| VIII | Extraordinary Items | - | - | - | - | - | - | - | - |
| IX | Profit before tax (VII-VIII) | 225.26 | 4.74% | 135.38 | 2.22% | 48.05 | 1.43% | 27.85 | 1.34% |
| X | Tax expense: | | | | | | | | |
| | (a) Current Tax | 61.78 | 1.30% | 41.05 | 0.67% | 15.65 | 0.47% | 10.16 | 0.49% |
| | (b) Mat Credit Entitlement | - | | - | | - | | - | |
| | (c) Deferred Tax | 5.59 | 0.12% | 1.11 | 0.02% | 0.86 | 0.03% | -0.22 | -0.01% |
| | Total Tax Expense | 67.37 | 1.42% | 42.15 | 0.69% | 16.51 | 0.49% | 9.94 | 0.48% |
| XI | PROFIT/(LOSS) FROM THE PERIOD FROM | 157.90 | 3.32% | 93.22 | 1.53% | 31.54 | 0.94% | 17.92 | 0.86% |



| | | | | | | | | | |
|-------------|---|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | CONTINUING OPERATIONS | | | | | | | | |
| XII | Profit/ (Loss) from discontinuing operations | - | - | - | - | - | - | - | - |
| XIII | Tax expense of discounting operations | - | - | - | - | - | - | - | - |
| XIV | Profit/(Loss) from Discontinuing operations | - | - | - | - | - | - | - | - |
| | | | | | | | | | |
| XV | Profit/ (Loss) for the period (XI + XIV) | 157.90 | 3.32% | 93.22 | 1.53% | 31.54 | 0.94% | 17.92 | 0.86% |
| | | | | | | | | | |
| XVI | Earning per equity share: | | | | | | | | |
| | (I) Basic & Diluted (Rs.) | 2.93 | | 1.73 | | 1.21 | | 0.69 | |
| | (II) Annualized (Rs.) | 2.93 | | 1.73 | | 1.21 | | 0.69 | |

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Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies", under Chapter titled Financial Statements beginning on page 227 of the Draft Red Herring Prospectus.

Overview of Revenue & Expenditure

The following discussion on results of operations should be read in conjunction with the Restated Financial statements for the period ending on December 31, 2023, Financial years 2022- 2023, Financial Year 2021-22 & Financial Year 2020-21. Our revenue and expenses are reported in the following manner:

Revenues

◆ Revenue of operations

Our Company's revenue is primarily generated from Carrying & Forwarding Agents, Warehouse and Transportation Charges, Godown Rent Charges, SPA Charges and Manpower Charges.

◆ Other Income

Other Income includes interest income on fixed deposit, Misc Income & Discount Received.

Expenditure

Our total expenditure primarily consists of Employee benefit expense, Finance Costs, Depreciation and amortization expense, and Other Expenses.

◆ Employee benefit expense

The Employee benefit expense includes Salaries and wages, Director's Remuneration and Staff welfare expenses

◆ Finance Cost

Finance cost expense include interest on Vehicle Loan, Axis Corporate Loan, HDFC Cash Credit Loan, Tata Motors Finance Ltd Corporate Loan.

◆ Depreciation and Amortization Expenses

Depreciation and Amortization Expenses majorly includes depreciation on Furniture & Fixtures, Vehicles, Computers and Office Equipment's.

◆ Other Expenses

Other Expenses include major expenses on freight and forwarding, Power and Fuel, Rent includes Lease rentals, Travelling and conveyance, Office Expenses, Repair and maintenance, miscellaneous Expense & insurance and entertainment expense.



STUB PERIOD ENDED DECEMBER 31, 2023 (BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS)

Revenues

◆ **Total Income**

Total Income for the period ended December 31, 2023, stood at Rs. 4,749.42 lakhs.

◆ **Revenue from operations**

Revenue from operation for the period ended December 31, 2023, stood at Rs. 4,699.43 lakhs which is 98.95% of the Total Income.

◆ **Other Income**

Other Income for the period ended December 31, 2023, stood at Rs. 50 lakhs, which is 1.05% of the Total Income.

Expenditure

◆ **Total Expenses**

Total Expenses for the period ended December 31, 2023, stood at Rs. 4,524.16 lakhs which is 95.26% of the Total Income which includes Employment Benefit Expenses, Finance Cost, Depreciation and Amortization expenses and Other Expenses.

◆ **Employment Benefit Expenses**

Employment Benefit Expenses for the period ended December 31, 2023, stood at Rs. 767.20 lakhs which is 16.15% of the Total Income which includes Salaries and wages, Staff welfare expenses, Director Remuneration.

◆ **Finance Cost**

Finance Cost for the period ended December 31, 2023, stood at Rs. 129.01 lakhs which is 2.72% of the Total Income which includes Interest on Vehicle Loan, Axis Corporate Loan, HDFC Cash Credit Loan, and Tata Motors Finance Ltd Corporate Loan.

◆ **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses for the period ended December 31, 2023, stood at Rs. 146.52 lakhs which is 3.09% of the Total Income which include Furniture & Fixtures, Vehicles, Computers and Office Equipment's.

◆ **Other Expenses**

Other Expenses for the period ended December 31, 2023, stood at Rs. 3,481.42 lakhs which is 73.30% of the Total Income which includes Freight & Forwarding, Power & Fuel, Rent including lease rentals, Office Expenses, Travelling & Conveyance, Repair and maintenance, miscellaneous Expense & insurance and entertainment expense which is 60.22%, 6.80%, 2.40%, 0.79%, 0.98%, 0.56%, 0.63%, 0.25% and 0.17% respectively of the Total other expenses.

◆ **Restated Profit before Tax**

Restated profit before tax for the period ended December 31, 2023, stood at Rs. 225.26 lakhs which is 4.74% of the Total Income.



◆ **Tax Expense**

Tax Expense for the period ended December 31, 2023, stood at Rs. 67.37 lakhs out of which Current Tax being Rs. 61.78 lakhs and Deferred Tax being Rs. 5.59 lakhs which is 1.30% and 0.12% respectively of the Total Income.

◆ **Restated Profit after Tax**

Restated profit after tax for the period ended December 31, 2023 stood at Rs. 157.90 lakhs which is 3.32% of the Total Income.

PERIOD ENDED MARCH 31, 2023, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

◆ **Total Income**

Total Income for the period ended March 31, 2023, stood at Rs. 6,090.62 Lakhs whereas in Financial Year 2021-22 it stood at Rs 3,360.96 Lakhs representing an increase of 81.22%.

Reason: The increase in total income of the company is due to a significant increase in the revenue of the company and general growth in the business operations of the Company.

◆ **Revenue of operations**

Net revenue from operations for the period ended March 31, 2023, stood at Rs. 6,052.70 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 3,346.73 Lakhs representing an increase of 80.85%.

Reason: The significant rise in revenue from operations in the financial year 2023 as compared to the financial year 2022 is primarily due to increased revenue in our carrying and forwarding services.

(Rupees in Lakhs)

| Particulars | March 31, 2023 | March 31, 2022 | %age Increase |
|--------------------------------------|-----------------|-----------------|---------------|
| Carrying and forwarding | 5249.92 | 2,718.48 | 93.12% |
| <i>% of Revenue from operations</i> | <i>86.74%</i> | <i>81.23%</i> | - |
| Total revenue from operations | 6,052.70 | 3,346.73 | 80.85% |

The above table indicates that the percentage increase in Revenue from Operations for the financial year 2023 is due to an increase in orders within the Carrying and Forwarding services. This growth is driven by our strategy of initially engaging with large corporate clients on a smaller scale and gradually expanding our service area as we prove our capability. Over time, these clients have entrusted us with larger or new regions for Carrying and Forwarding operations. Additionally, our ability to offer a comprehensive, one-stop solution has contributed significantly to this revenue success. It is noteworthy that the Carrying and Forwarding services remains the predominant source of our revenue from operations.

◆ **Other Income**

Other Income for the Period ended March 31, 2023, stood at Rs. 37.92 Lakhs whereas in the Financial Year 2021-22 it stood at Rs. 14.23 Lakhs representing a increase of 166.52%.

Reason: The Increase in other income is due to increase in Interest on fixed deposits.



Expenditure

◆ Total Expenses

Total Expenses for the Period ended March 31, 2023, stood at Rs. 5,955.24 Lakhs whereas in the Financial Year 2021-22 it stood at Rs 3,312.91 Lakhs representing an increase of 79.76%.

Reason: Total Expenses for the Financial Year ending on March 31, 2023, have witnessed a notable increase of 79.76%. This rise can be attributed to the increase in various factors, including an increase in the Employee benefit expenses, Finance cost, Depreciation and amortization expenses and other expenses.

◆ Employee benefit expense

The Employee benefit expense for the Period ended March 31, 2023, stood at Rs. 810.27 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 440.02 Lakhs representing an increase of 84.14%.

Reason: There has been a significant increase in Employee benefit expenses in the financial year 2023 as compared to financial year 2022 due to an increase in salary and wages of employees and Staff Welfare Expense. The same can be inferred from the below table:

(Rupees in lakhs)

| Particulars | March 31, 2023 | March 31, 2022 | %age Increase |
|-------------------------|-----------------|-----------------|---------------|
| Salaries and Wages | 767.45 | 410.23 | 87.08% |
| Director's Remuneration | 15.70 | 11.40 | 37.72% |
| Staff Welfare Expenses | 27.12 | 18.39 | 47.47% |
| Total expenses | 5,955.24 | 3,312.91 | 79.76% |

◆ Finance Cost

The Finance Cost for the period ended on March 31, 2023, stood at Rs. 81.10 Lakhs whereas in the Financial Year 2021-22 it stood at Rs. 23.21 Lakhs representing an increase of 249.37% from the previous years.

Reason: This increase in finance costs is primarily due to the increase in HDFC cash credit loan. Hence the interest amount incurred on the same was also increased. Further, the amount on vehicle loan has increased as compared to the previous financial year ended 2022.

◆ Depreciation and Amortization Expenses

The Depreciation and Amortization Expenses for the Period ended March 31, 2023, stood at Rs. 128.66 Lakhs whereas in the Financial Year 2021-22 it stood at Rs. 26.33 Lakhs representing an increase of 388.28%.

Reason: This increase is primarily due to the purchase of fixed assets which includes mainly Vehicles, furniture, computer, office Equipment's resulting in increase of Depreciation Expenses.

◆ Other Expenses

The Other Expenses for the Period ended March 31, 2023, stood at Rs. 4,935.91 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 2823.33 Lakhs representing an increase of 74.80%.

Reason: Major increase in other expenses could be seen due to increase in the Freight & Forwarding charges, Power & Fuel, Rent including lease rentals, Office Expenses, Repair and maintenance,



miscellaneous Expense & Motor insurance and entertainment expense. The same can be inferred from the below table:

(Rupees in lakhs)

| Particulars | March 31, 2023 | March 31, 2022 | %age Increase |
|------------------------------|----------------|----------------|---------------|
| Power & Fuel | 258.98 | 106.46 | 143.26% |
| Rent including lease rentals | 125.35 | 110.26 | 13.69% |
| Freight & forwarding | 4,338.95 | 2,493.25 | 74.03% |
| Bank Charges | 2.69 | 0.74 | 266.50% |
| Filing Fees | 1.97 | 0.02 | 10819.72% |
| Motor Car Insurance | 15.67 | 2.93 | 434.75% |
| Office Expenses | 78.06 | 5.79 | 1248.16% |
| Repairs & Maintenance | 27.01 | 2.63 | 928.61% |
| Total | 4848.68 | 2722.08 | |

◆ **Restated Profit before Tax**

The restated profit before tax for the Period ended March 31, 2023, stood at Rs. 135.38 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 48.05 Lakhs representing an increase of 181.75%.

◆ **Tax Expense**

Tax Expense for the period ended March 31, 2023, stood at Rs. 42.15 lakhs out of which Current Tax being Rs. 41.05 lakhs and Deferred Tax being Rs. 1.11 lakhs whereas in Financial year 2021-22 it stood at Rs. 16.51 Lakhs out of which Current Tax being Rs. 15.65 and Deferred Tax being Rs. 0.86 Lakhs representing as increase of 155.38%.

Reason: The major reason for the increase in Tax is due to the increase in revenue and constant growth of the company.

◆ **Restated Profit after Tax**

The restated profit after tax for the Period ended March 31, 2023, stood at Rs. 93.22 Lakhs whereas in the Financial Year 2021-22 it stood at Rs. 31.54 Lakhs representing an increase of 195.55%.

Reason: The increase in the profit after tax is attributed to:

1. Effective cost control, resource optimization, and streamlined operations have led to improved cost-effectiveness and higher profit margins.
2. Despite consistent fixed costs for the company, the allocation of shared costs decreased due to increased revenue, resulting in higher Profit After Tax (PAT).
3. With the increase in revenue from operations for the financial year ended 2023, the expenses for the same financial year have not been increase in the same proportion as the revenue. We have diligently managed to control our expenses like the cost of transportation & Godown rent and business promotion cost.



FISCAL YEAR ENDED MARCH 31, 2022, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

◆ Total Income

Total Income for the Financial Year 2021-22 stood at Rs. 3,360.96 Lakhs whereas in the Financial Year 2020-21 it stood at Rs. 2,076.58 Lakhs representing an increase of 61.85%.

Reason: The increase in total income of the company is due to a significant increase in the revenue of the company and general growth in the business operations of the Company.

◆ Revenue of operations

Net revenue from operations For the Financial Year 2021-2022 stood at Rs. 3,346.73 Lakhs. Whereas For the Financial Year 2020-2021, it stood at Rs. 2,066.75 Lakhs representing an increase of 61.93%.

Reason: The significant rise in revenue from operations in the financial year 2022 as compared to the financial year 2021 is primarily due to increased revenue in our carrying and forwarding services.

(Rupees in lakhs)

| Particulars | March 31, 2022 | March 31, 2021 | %age Increase |
|--------------------------------------|-----------------|-----------------|---------------|
| Carrying and forwarding | 2,718.48 | 1,460.88 | 86.09% |
| % of Revenue from operations | 81.23% | 70.68% | - |
| Total Revenue from Operations | 3,346.73 | 2,066.75 | 61.93% |

The above table indicates that the percentage increase in Revenue from Operations for the financial year 2022 is due to a rise in orders within our Carrying and Forwarding services. This growth is driven by our strategy of initially engaging with large corporate clients on a smaller scale and gradually expanding our service area as we prove our capability. Over time, these clients have entrusted us with larger or new regions for Carrying and Forwarding operations. Additionally, our ability to offer a comprehensive, one-stop solution has contributed significantly to this revenue success. It is noteworthy that the Carrying and Forwarding segment remains the predominant source of our revenue from operations.

◆ Other Income

Other Income for the Financial Year 2021-2022 stood at Rs. 14.23 lakhs. Whereas For the Financial Year 2020-2021, it stood at Rs 9.83 lakhs representing an increase of 44.74%.

Reason: The increase in other income is due to an increase in Interest income on fixed deposits & Misc income.

Expenditure

◆ Total Expenses

Total Expenses for the Financial Year 2021-2022 stood at Rs. 3,312.91 Lakhs. Whereas For the Financial Year 2020-2021, it stood at Rs. 2,048.73 Lakhs representing an increase of 61.71%.

Reason: Total Expenses for the Financial Year ending on March 31, 2022, have witnessed a notable increase of 61.71%. This rise can be attributed to the increase in various factors, including an increase in



the Employee benefit expenses, Finance cost, Depreciation and amortization expenses and other expenses.

◆ **Employee benefit expense**

The Employee benefit expense For the Financial Year 2021-2022 stood at Rs. 440.02 Lakhs. Whereas For the Financial Year 2020-21, it stood at Rs. 426.01 Lakhs representing an increase of 3.29%.

Reason: There has been a significant increase in Employee benefit expenses in the financial year 2022 as compared to financial year 2021 due to an increase in salary and wages of employees and Staff Welfare Expense. The same can be inferred from the below table:

(Rupees in lakhs)

| Particulars | March 31, 2022 | March 31, 2021 | %age Increase |
|-------------------------|----------------|----------------|---------------|
| Salaries and Wages | 410.23 | 406.39 | 0.94% |
| Director's Remuneration | 11.40 | 6.00 | 90.00% |
| Staff Welfare Expenses | 18.39 | 13.62 | 35.02% |
| Total expenses | 440.02 | 426.01 | 3.29% |

◆ **Finance Cost**

The Finance Cost for the period ended on March 31, 2022, stood at Rs. 23.21 Lakhs whereas in the Financial Year 2020-21 it stood at Rs. 7.77 Lakhs representing an increase of 198.58% from the previous years.

Reason: The increase in finance costs is primarily due to the increase in HDFC cash credit loan. Hence the interest amount incurred on the same was also increased. Further, the amount on vehicle loan has increased as compared to the previous financial year ended 2021.

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Financial Year 2021-2022 stood at Rs. 26.35 Lakhs. Whereas For the Financial Year 2020-21, it stood at Rs. 12.78 lakhs representing an increase of 106.18%.

Reason: This increase is primarily due to the purchase of fixed assets which includes mainly Vehicles, furniture, computer, office Equipment's resulting in increase of Depreciation Expenses.

◆ **Other Expenses**

The Other Expenses for the Financial Year 2021-2022 stood at Rs. 2,823.33 lakhs. Whereas For the Financial Year 2020-21, it stood at 1,602.16 lakhs representing an increase of 76.22%.

Reason: Major increase in other expenses could be seen due to increase in the Freight & Forwarding charges, Power & Fuel, Rent including lease rentals, Office Expenses, Repair and maintenance, miscellaneous Expense & Motor insurance and entertainment expense. The same can be inferred from the below table:

(Rupees in lakhs)

| Particulars | March 31, 2022 | March 31, 2021 | %age Increase |
|------------------------------|----------------|----------------|---------------|
| Power & Fuel | 106.46 | 88.14 | 20.79% |
| Rent including lease rentals | 110.26 | 67.91 | 62.37% |
| Freight & forwarding | 2,493.25 | 1,269.20 | 96.44% |
| Car Hire Charges | 4.15 | 1.91 | 116.71% |
| Computer & Software Expenses | 0.88 | 0.12 | 644.74% |



| | | | |
|--------------------------------|----------------|----------------|-----------------|
| Loan Processing Charges | 12.08 | 1.70 | 609.84% |
| Brokerage & Commission Charges | 2.17 | 0.06 | 3654.76% |
| Entertainment Expenses | 3.64 | 0.95 | 282.82% |
| Total | 2732.89 | 1429.99 | |

◆ **Restated Profit before Tax**

The restated profit before tax For the Financial Year 2021-2022 stood at Rs 48.05 Lakhs. Whereas For the Financial Year 2020-21, it stood at Rs. 27.85 Lakhs representing an increase of 72.50%.

◆ **Tax Expense**

Tax Expense for the period ended March 31, 2022, stood at Rs. 16.51 lakhs out of which Current Tax being Rs. 15.65 lakhs and Deferred Tax being Rs. 0.86 lakhs whereas in financial year 2020-21 it stood at Rs. 9.94 Lakhs out of which Current Tax being Rs. 10.16 and Deferred Tax being Rs. (0.22) Lakhs representing as increase of 66.06%.

Reason: The major reason for the increase in Tax is due to the increase in revenue and constant growth of the company.

◆ **Restated Profit after Tax**

The restated profit after tax For the Financial Year 2021-2022 stood at Rs. 31.54 Lakhs. Whereas For the Financial Year 2020-21, it stood at Rs. 17.92 Lakhs representing an increase of 76.06%.

Reason: The increase in the profit after tax is attributed to:

1. Effective cost control, resource optimization, and streamlined operations have led to improved cost-effectiveness and higher profit margins.
2. Despite consistent fixed costs for the company, the allocation of shared costs decreased due to increased revenue, resulting in higher Profit After Tax (PAT).
3. With the increase in revenue from operations for the financial year ended 2022, the expenses for the same financial year have not been increase in the same proportion as the revenue. We have diligently managed to control our expenses like the cost of transportation & Godown rent and business promotion cost.

INFORMATION REQUIRED AS PER ITEM (II) (C) (I) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:

1. **Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Other than as described in the section titled Risk Factors beginning on page 27 of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.



3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Other than as described in this Draft Red Herring Prospectus, particularly in the sections Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations on pages 27 and 250, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

4. Income and Sales on account of major product/main activities

The income and sales of our Company on account of major activities derives from the business is carrying and forward activities.

5. Future changes in the relationship between costs and revenues, in case of events such as future increase in cost of service and freight & forwarding expenses that will cause a material change are known.

Our Company's future costs and revenues can be indirectly impacted by an increase in the cost of services and freight & forwarding expenses.

6. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by competition, demand/supply situation, interest rates quoted by banks & others.

7. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in our revenues are by and large linked to increases in the volume of business.

8. Total turnover of each major industry segment in which the issuer company operates.

The Company operates in the Logistics Industry. Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 122 of this Draft Red Herring Prospectus.

9. Status of any publicly announced new products or business segments.

Our Company has not announced any new services and segment / scheme, other than disclosure in this Draft Red Herring Prospectus.

10. The extent to which the business is seasonal.

Our business is not seasonal in nature.

11. Competitive Conditions

We face competition from existing and potential competitors, which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in the section titled Our Business on page 151 of this Draft Red Herring Prospectus.



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FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on December 31, 2023, our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs. 1,890.63 Lakhs and Unsecured Loan aggregating to Rs. 94.15 Lakhs, as per the certificate issued by M/s Goyal Parul & co., Chartered Accountants, dated May 25, 2024.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a consolidated basis as of December 31, 2023:

Secured

(Rupees in Lakhs)

| Name of persons/companies | Loan Amounts | Rate of Interest/ Commission (%) | Nature of Loan | Tenure | Outstanding as on December 31, 2023 |
|--|---------------|----------------------------------|----------------|-----------|-------------------------------------|
| HDFC Bank Limited | 1375.00 | 9.10% | Cash Credit | 12 Months | 1,361.14 |
| ICICI Bank Ltd | 40.00 | 8% | Vehicle Loan | 36 Months | 21.15 |
| ICICI Bank Ltd | 20.00 | 9.25% | Business Loan | 36 Months | 20.00 |
| YES Bank Ltd | 108.16 | 5.81% | Vehicle Loan | 25 Months | 82.35 |
| Mahindra & Mahindra Finance Ltd | 95.20 | 9.75% | Vehicle Loan | 18 Months | 72.36 |
| Axis Bank Limited | 200.00 | 9.25% | Vehicle Loan | 19 Months | 69.10 |
| Mercedes Benz Financial Services India Ltd | 69.65 | 6.77% | Vehicle Loan | 48 Months | 68.40 |
| HDB Financial Services Ltd | 78.98 | 6.50% | Vehicle Loan | 18 Months | 142.69 |
| Tata Motors Finance Ltd | 59.00 | 9.25% | Corporate Loan | 12 Months | 53.44 |
| TOTAL | 201.73 | | | | 1,890.63 |

Unsecured

(Rupees in Lakhs)

| Name of persons/companies | Loan Amounts | Rate of Interest | Nature of Loan | Nature of Tenure | Outstanding as on December 31, 2023 |
|---------------------------|--------------|------------------|-----------------|------------------|-------------------------------------|
| Pranav Kumar Sonthalia | 53.91 | 0% | Unsecured Loans | NA | 53.91 |
| Anusuyra Rajgaria | 23.00 | 0% | Unsecured Loans | NA | 23.00 |



| | | | | | |
|---------------------------|--------------|----|-----------------|----|--------------|
| Vincent Public School | 0.84 | 0% | Unsecured Loans | NA | 0.84 |
| Sangita Singh | 8.00 | 0% | Unsecured Loans | NA | 8.00 |
| Gaurav Kumar Choudhury | 6.00 | 0% | Unsecured Loans | NA | 6.00 |
| Pappu Choudhury | 2.40 | 0% | Unsecured Loans | NA | 2.40 |
| TOTAL | 94.15 | | | | 94.15 |

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SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
- f) Material frauds committed against our Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) Any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.



- d) Our Board, in its meeting held on May 26, 2024, determined that outstanding legal proceedings involving the Company, its Directors and Promoters will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited standalone financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Draft Red Herring Prospectus.

I. Litigations involving our Company.

A. Against our Company

- 1. Litigation involving Criminal Matters: NIL**
- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: as per below:**

Income Tax notices issued against Pranik Logistics Limited having PAN AAICP0257B

1. Defective notice u/s 139(9) Pending for Assessment Year: 2023-24 Return with Acknowledgement number: 345458721290923

GST Notices issued against Pranik Logistics Limited having GST No. 19AAICP0257B1ZN

1. GST Notice issued with for not filing return on due date for the month of, December 2020, January 2021, June 2021, July 2021, March 2023, May 2023, June 2023, July 2023, August 2023, September 2023, October 2023, November 2023, December 2023, January 2024, February 2024, March 2024.
2. Notice issued under section 73 and Demand of 72,83,618.00/- (In INR) is raised by the department and directed to make the payment by 18/07/2024 failing which proceedings shall be initiated as Order issued u/s 73(9) of the WBGST Act, 2017 for total amount of tax due as integrated tax is 2,13,410/- (In INR) as central tax is 16,71,342/- (In INR) and State Tax (WBGST) is 16,71,342/- (In INR) and total amount of integrated tax Interest due is 1,94,373/- (In INR) central tax interest due is 15,88,771/- (In INR) and State Tax (WBGST) interest due is 15,96,697/- (In INR) and total amount of integrated tax Penalty due is 21,341/- (In INR) central tax penalty due 1,67,134 /-(In INR) is State Tax (WBGST) Penalty due is 1,67,134 /-(In INR). Order for Determination of Tax issued on 19/04/2024.
3. Notice issued under Order U/S 73 of WBGST ACT ,2017 and Demand of 75,144.60 /-(In INR) is raised by the department and directed to make the payment by 08/09/2023 failing which



proceedings shall be initiated. Tax, Interest and Penalty imposed is 39,248.60/-, 15,896.00/-(In INR) and 20000.00/-(In INR) respectively Order for Determination of Tax issued on 09/08/2023.

GST Notices issued against Pranik Logistics Limited having GST No. 10AAICP0257B1Z5

1. GST Notice issued u/s 46 for not filing return on due date for the month of September 2020, December 2020, March 2021, June 2021, July 2021, August 2021, September 2021, November 2021, September 2022, October 2022, November 2022, March 2023, April 2023, May 2023, June 2023, July 2023, August 2023, September 2023, October 2023, November 2023 December 2023, January 2024, February 2024, March 2024.

GST Notices issued against Pranik Logistics Limited having GST No. 20AAICP0257B1Z4

1. GST Notice issued u/s 46 for not filing return on due date for the month of August 2020, September 2020, February 2021, March 2021, April 2021, May 2021, June 2021, July 2021, August 2021, September 2021, October 2021, November 2021 December 2021, January 2022, February 2022, March 2022, April 2022, May 2022, June 2022, July 2022, August 2022, September 2022, October 2022, November 2022 December 2022, January 2023, February 2023, March 2023, April 2023, May 2023, June 2023, July 2023, August 2023, September 2023, October 2023, November 2023 December 2023, January 2024, February 2024, March 2024.
2. Notice issued for intimating discrepancies in return in Form GST ASMT-10 with reference number ZD201023000400S with date of issuance being 05/10/2023 is Pending for reply by taxpayer , that notice is issued under section 73, that difference of amount Rs 98,776.79/-(In INR) in GST R 8b – GST R 8A is found for period 2019-2020.
3. Notice issued for intimating discrepancies in return in Form GST ASMT-10 with reference number ZD2010230003985 with date of issuance being 05/10/2023 is Pending for reply by taxpayer, that notice is issued under section 73, that difference of amount Rs 2,36,251.89/-(In INR) in GST R 8b – GST R 8A is found for period 2018-2019.

B. By our Company

1. **Litigation involving Criminal Matters:**
2. **Litigation involving Civil Matters:**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
4. **Litigation/Matters involving Tax Liabilities: NIL**

II. Litigations involving our Promoters/Directors

A. Against our Promoters/Directors

1. **Litigation involving Criminal Matters: NIL**
2. **Litigation involving Civil Matters: NIL**
3. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**



4. Litigation/Matters involving Tax Liabilities: As per below:

Income Tax notices issued against Pranav Kumar Sonthalia having PAN CNYPK0565M.

1. Outstanding Demand Amount OF ₹4,37,330/- (In INR) pending for Assessment Year 2016 U/S 143(3) with Demand Reference No:2018201637045545796T.
2. Outstanding Demand Amount OF ₹33,370/- (In INR) pending for Assessment Year 2016 U/S 271 (1)(c) with Demand Reference No:2019201640402849955T.

Income Tax Notice of the promoter is showing online but the same has been resolved paid and cleared in actual through Viwas se Viswash Scheme of the Government and bank account of assessee Sh. Pranav Kumar Sonthalia under attachment u/s 226(3) of the IT Act, 1961 withdrawn by letter dated 18.08.2021 with letter no. ITBA/COM/F/2021-22/1034960241(1).

B. By our Promoters/Directors

1. **Litigation involving Criminal Matters:** NIL
2. **Litigation involving Civil Matters:** NIL
3. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
4. **Litigation/Matters involving Tax Liabilities:** NIL

III. Litigations involving our Group Entities

A. Against our Group Entities: NIL

B. By our Group Entities: NIL

Note: Our Company has no group entities.

IV. Litigations relating to the Subsidiary Company

A. Against Directors of our Subsidiary Company: NA

B. By Directors of our Subsidiary Company: NA

Note: Our Company has no Subsidiary Company.

V. Other litigations involving any other entities may have a material adverse effect on our company.

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our



Company.

VI. Details of the past penalties imposed on our Company / Directors

Except as disclosed above as on the date of this Draft Red Herring Prospectus, there are no cases in the last five years in which penalties have been imposed on our Company or our Directors.

VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on December 31, 2023, our Company had outstanding dues to creditors as follows:

| Particulars | (Rupees in Lakhs) |
|-------------------------------------|-------------------|
| Trade Payables | |
| Micro, Small and Medium Enterprises | |
| Others | 48.45 |
| Total | 48.45 |

The information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, <https://pranikgroup.com> would be doing so at their own risk.

VIII. Material developments occurring after last balance sheet date, that is, December 31, 2023.

Except as disclosed in the section titled -Management's Discussion and Analysis of Financial Condition and Results of Operations of our Company beginning on page number 250 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

We certify that except as stated herein above:

- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years.
- There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.



- f. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- g. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.
- h. There are no status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- i. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.
- j. Neither the Company nor any of its promoters or directors is a willful defaulter.

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GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 174 of the Draft Red Herring Prospectus.

CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on May 23, 2024, has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated May 25, 2024, under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated May 31, 2024, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case is, Maashitla Securities Private Limited for the dematerialization of its shares.
2. The Company has also entered into an agreement dated April 24, 2024, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case is, Maashitla Securities Private Limited for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE0VJG01014.

INCORPORATION DETAILS OF OUR COMPANY

| S.N. | Authorisation granted | Issuing Authority | CIN | Date of Issue | Valid upto |
|------|--|-------------------|-----------------------|---------------|------------|
| 1. | Certificate of Incorporation in the name of “Pranik Logistics Private Limited” | ROC, Kolkata | U60231WB2015PTC205412 | 24/02/2015 | Perpetual |



| | | | | | |
|----|--|--------------|-----------------------|------------|-----------|
| 2. | Certificate of Incorporation for conversion from Private to Public company in the name of “Pranik Logistics Limited” | ROC, Kolkata | U60231WB2015PLC205412 | 07/03/2024 | Perpetual |
|----|--|--------------|-----------------------|------------|-----------|

TAX RELATED AUTHORISATIONS OF COMPANY

| S.N. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---|--|--|--|----------------------------|--------------------------|
| 1. | Permanent Account Number | Income Tax Department, GoI | AAICP0257B | 24/02/2015 | Perpetual |
| 2. | Tax Deduction Account Number | Income Tax Department, GoI | CALP12956G | 24/02/2015 | Perpetual |
| Details of GST registration of the Company | | | | | |
| 3. | GST Registration Certificate (West Bengal) | Central Goods and Services Tax Act, 2017 | 19AAICP0257B1ZN | 26/03/2024 | Valid until cancellation |
| 4. | GST Registration Certificate (Bihar) | Central Goods and Services Tax Act, 2017 | 10AAICP0257B1Z5 | 25/04/2023 | Valid until cancellation |
| 5. | GST Registration Certificate (Jharkhand) | Central Goods and Services Tax Act, 2017 | 20AAICP0257B1Z4 | 29/05/2023 | Valid until cancellation |
| 6. | GST Registration Certificate (Gujarat) | Central Goods and Services Tax Act, 2017 | 24AAICP0257B1ZW | 13/05/2024 | Valid until cancellation |
| 7. | GST Registration Certificate (Maharashtra) | Central Goods and Services Tax Act, 2017 | (ARN number) AA2706240170788 | (Applied on) 05/06/2024 | Valid until cancellation |
| 8. | GST Registration Certificate (Odisha) | Central Goods and Services Tax Act, 2017 | (ARN Number) AA210624003737I | Applied on (07/06/2024) | Valid until cancellation |

Note: The company has applied for New PAN, TAN and GST certificate before respective authorities to change its name from “Pranik Logistics Private Limited” To “Pranik Logistics Limited”. However, The Application Is in The Process and Has Not Disposed Of.

LABOUR LAW RELATED APPROVALS

| S.N. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Valid upto |
|------|---|--|--|---------------|--------------------------|
| 01. | Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | Office of the Regional Provident Fund Commissioner | WBPRB1327333000 | 18/08/2020 | Valid until cancellation |



| | | | | | |
|-----|-------------------------------------|--|-------------------|------------|--------------------------|
| 02. | Employees State Insurance Act, 1948 | Employees' State Insurance Corporation | 41601554010010999 | 17/01/2018 | Valid until cancellation |
|-----|-------------------------------------|--|-------------------|------------|--------------------------|

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

| S.N. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Valid upto |
|------|--|---|--|---------------|--------------------------|
| 01. | Udyam Registration Certificate | Ministry of Micro, Small and Medium Enterprise, GOI | UDYAM-WB-10-0009295 | 19/12/2020 | Valid until cancellation |
| 02. | Shop And Establishment Act, 1963 | Registering Authority for Shop and establishment west Bengal | JL00511N2021000014 | 28/10/2021 | Valid until cancellation |
| 03. | Jharkhand Professional Tax | Commercial tax Department | 20620113143 | 27/05/2024 | Valid until cancellation |
| 04. | West Bengal Professional Tax | Kolkata East Range | 192162195321 | 13/07/2023 | Valid until cancellation |
| 05. | Jharkhand Shops and Establishments Act, 1953 | Government Of Jharkhand Dept. Of Labour Employment And Training | SEA1634800108104 | 29/10/2021 | 31/12/2030 |
| 06 | FSSAI | Department of Health and Family Welfare Food Safety and Standards Authority of India License, Government of West Bengal | 12821013000315 | 08/04/2024 | 01/04/2026 |
| 07 | Trade License | Nabadiganta Industrial Township Authority | 005810 | 02/06/2023 | 31/03/2025 |

Intellectual Property Rights

As on the date of this Draft Red Herring Prospectus, there is (1) One Intellectual Property right registered in the name of the company. For further information regarding our Intellectual Property Rights, please refer to chapter titled "Our Business" under the heading "Intellectual Property Rights" on page 173 of the Draft Red Herring Prospectus.



Domain

The company owned 1 (One) domain in its own name, the details of which are given on page 173 under the chapter titled “Our Business” under the heading “Domain” of the Draft Red Herring Prospectus.

Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/ Licenses required for the proposed expansion.

Our Company do not have any pending licenses, permissions, and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies which applied for but not yet received.

Note: Some of the approvals like PAN, TAN, GST, etc., are in the name of Pranik Logistics Private Limited and the Company is in the process of getting all the approvals in the new name of the Company i.e. Pranik Logistics Limited.

The Company has submitted requests to the relevant regulatory bodies/ authorities to update the company's name in licenses and other approvals, such as EPF, ESI, Insurance Policies etc. & we believe that it will change in due course of time.

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

This space has been left blank intentionally.



OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

1. This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on May 23, 2024.
2. The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its EGM held on May 25, 2024, and authorised the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Draft Red Herring Prospectus through its resolution dated June 15, 2024.
5. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “*Government and Other Approvals*” beginning on page no. 271 of this Draft Red Herring Prospectus.

Prohibition by SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Prohibition by RBI or Governmental authority

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our directors have not been declared as wilful defaulter by RBI or any other government authority and there has been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

In view of the General Circular No. 07/2018 dated September 6, 2018, and General Circular No. 8/ 2018 dated September 10, 2018, issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.



Directors associated with the Securities Market

We confirm that none of our directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Draft Red Herring Prospectus.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post Offer face value capital is More than Rs.1,000 Lakh, But upto 2,500 Lakh. Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of our Equity Shares.

We confirm that:

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and the BRLM to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to “General Information” Underwriting on page 70 of this Draft Red Herring Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the BRLM shall ensure that the Issuer shall file a copy of the Red Herring Prospectus/ Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the BRLM will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “*General Information*”, “*Details of the Market Making Arrangements for this Issue*” on page 70 of this Draft Red Herring Prospectus.
- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, none of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or fraudulent borrower.
- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or



directors is a fugitive economic offender.

- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.
- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

NSE ELIGIBILITY NORMS:

1. **The Issuer should be a Company incorporated under the Companies Act, 2013/1956.**

Our Company has been incorporated under the Companies Act, 2013 on February 24, 2015.

2. **The post issue paid up capital of the company (face value) shall not be more than ₹ 25 crores.**

The post issue paid up capital of the Company (face value) will not be more than Rs. 25 Crores.

3. **Track Record:**

1. **The Company should have a track record of at least 3 (three) years.**

Our Company was incorporated on 24/02/2015 under the provisions of Companies Act, 2013, therefore we are in compliance of the track record.

On the basis of restated financial statements:

(Rupees in Lakhs)

| Particulars | December 31, 2023 | 2022-2023 | 2021-22 | 2020-21 |
|--|-------------------|-----------|---------|---------|
| Net Profit as per Restated Financial Statement | 157.90 | 93.22 | 31.54 | 17.92 |

2. The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and that the Company has track record of 3 years & the net-worth of the Company should be positive.

(Rupees in Lakhs)

| Particulars | December 31, 2023 | 2022-2023 | 2021-22 | 2020-21 |
|---|-------------------|-----------|---------|---------|
| Operating profit (earnings before interest, depreciation and tax) | 450.79 | 307.22 | 83.38 | 38.57 |
| Net-worth | 894.53 | 736.63 | 363.96 | 332.42 |

Other Requirements

- The company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. Also, the Equity Shares allotted through this Issue will be in dematerialized



mode.

- Our Company has a live and operational website: www.pranikgroup.com
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against our Company that has been accepted by a court.
- There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.
- There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE Emerge.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER NARNOLIA FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, NARNOLIA FINANCIAL SERVICES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, NARNOLIA FINANCIAL SERVICES LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 15, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER



Our Company, its Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.pranikgroup.com & www.narnolia.com would be doing so at his or her own risk.

Caution

The BRLM accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the BRLM shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.* The BRLM and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Kolkata only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.



Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

Disclaimer Clause of the Emerge Platform of NSE

NSE Limited (NSE) has given vide its letter dated [●] permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the Emerge platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.



DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and the track record of the past Issues handled by the BRLM to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Annexure A to the Draft Red Herring Prospectus and the website of the BRLM at www.narnolia.com.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

ANNEXURE-A

Disclosure of Price Information of Past Issues Handled by Merchant Banker

TABLE 1

| S. No. | Issuer Name | Issue Size (Rs. in Cr.) | Issue Price (Rs.) | Listing Date | Opening Price on Listing Date | +/-% change in closing price, [+/-% change in closing benchmark] - 30th calendar days from listing | +/-% change in closing price, [+/-% change in closing benchmark] - 90th calendar days from listing | +/-% change in closing price, [+/-% change in closing benchmark] - 180th calendar days from listing |
|---|---------------------------|-------------------------|-------------------|-------------------|-------------------------------|--|--|---|
| Initial Public Offering - Main Board | | | | | | | | |
| N.A. | | | | | | | | |
| Initial Public Offering – SME Exchange | | | | | | | | |
| 1. | Drone Destination Limited | 44.20 | 65 | 21 July 2023 | 107.45 | 15.91% (1.78%) | 16.15% (0.61%) | 43.04% (8.47%) |
| 2. | Yudiz Solutions Limited | 44.84 | 165 | 17 August 2023 | 185.00 | (5.59%) 4.48% | (19.16%) 1.81% | (19.30%) (11.12%) |
| 3. | Cellecor Gadgets Limited | 50.77 | 92 | 28 September 2023 | 96.00 | 131.85% (2.44) % | 214.35% 10.92% | 123.10% (11.28%) |
| 4. | Inspire Films Limited | 21.23 | 59 | 05 October 2023 | 67.85 | (3.28%) (1.61) % | (6.57%) 10.09% | (53.43%) (12.95%) |



| | | | | | | | | |
|-----|---|-------|-----|------------------|--------|---------|---------|----------|
| 5. | Womancart Limited | 9.56 | 86 | 27 October 2023 | 122.85 | 43.85% | 16.24% | 3.42% |
| | | | | | | 3.92% | 12.10% | (14.98%) |
| 6. | Supreme Power Equipments Limited | 46.67 | 65 | 29 December 2023 | 102.90 | 81.17% | 18.42% | N.A. |
| | | | | | | (1.74%) | 2.74% | |
| 7. | Akanksha Power and Infrastructure Limited | 27.49 | 55 | 03 January 2024 | 65.10 | 93.79% | 29.03% | N.A. |
| | | | | | | 1.56% | 4.35% | |
| 8. | Addictive Learning Technology Limited | 6016 | 140 | 30 January 2024 | 294.50 | (6.84%) | (4.87%) | N.A. |
| | | | | | | 1.00% | 5.03% | |
| 9. | Radiowalla Network Limited | 14.25 | 76 | 05 April 2024 | 120.15 | 4.45% | N.A. | N.A. |
| | | | | | | (0.40%) | | |
| 10. | Z-Tech (India) Limited | 37.30 | 110 | 05 June 2024 | 100.00 | N.A. | N.A. | N.A. |

TABLE 2

Summary Statement of Disclosure

| Financial Year | Total no. of IPOs | Total Amount of Funds raised. (Rs. Cr.) | No. of IPOs trading at discount-30th calendar days from listing | | | No. of IPOs trading at premium-30th calendar days from listing | | | No. of IPOs trading at discount-180th calendar days from listing | | | No. of IPOs trading at premium-180th calendar days from listing | | |
|----------------|-------------------|---|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2023-24 | 8 | 304.92 | - | - | 3 | 3 | 1 | 1 | 1 | - | 1 | 1 | 1 | 1 |
| 2024-25 | 2 | 51.55 | - | - | - | - | - | 1 | N.A. | | | N.A. | | |

Note: Listing date is considered for calculation of total number of IPO's in the respective financial year.

LISTING

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE Limited mentioned above are taken within three Working Days from the Offer Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:



“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

CONSENTS

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) BRLM, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing Red Herring prospectus to ROC) and will be filed along with a copy of the Red Herring Prospectus with the ROC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with NSE.

EXPERT OPINION

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Peer Review Auditors for period ended on 31 December 2023, 31st March 2023, 31st March 2022 and 2021, our Company has not obtained any other expert opinion. All the intermediaries, including Merchant Banker has relied upon the appropriacy and authenticity of the same.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

We have not made any previous rights and/or public issues since incorporation and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI (ICDR) Regulations.



PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Other than as detailed under chapter titled “Capital Structure” beginning on page 78 of the Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

PREVIOUS CAPITAL ISSUE DURING THEs PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Draft Red Herring Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY

The Company has no subsidiary company as on the date of Draft Red Herring Prospectus.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of the Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

OPTION TO SUBSCRIBE

Equity Shares being offered through this Draft Red Herring Prospectus can be applied for in dematerialized form only.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Offer is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was



submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection center of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Applicant.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Ayon Biswas as the Company Secretary and Compliance Officer and may be contacted at the following address:

PRANIK LOGISTICS LIMITED

P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal – 700091

Tel.: +91 7667852418; Fax: N.A.

E-mail: ayon@pranikgroup.com

Website: www.pranikgroup.com;

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

EXEMPTION FROM COMPLYING ANY PROVISION OF SECURITIES LAW

As on the date of this prospectus, our company has not obtained exemption from complying any provision of Securities law.

(This space has been left blank intentionally.)



SECTION VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red- Herring Prospectus, Red Herring Prospectus, Prospectus, Abridged Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+3 days. Further SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the Phase II of the UPI ASBA till further notice.

The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing T+6 days to T+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023, and Mandatory for public issues opening on or after December 1, 2023.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

The Issue

The Issue consists of a Fresh Issue by our Company. Expenses for the issue shall be borne by our Company in the manner specified in “Objects of the Issue” on page 95 of this Draft Red Herring Prospectus.

Ranking of Equity Shares

The Equity Shares being Offered/Alloted in the Issue shall be subject to the provisions of the Companies Act,



2013 and the Memorandum & Articles of Association, SEBI ICDR Regulations and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends, Voting Power and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on May 23, 2024, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on May 25, 2024.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. Dividends, if any, declared by our Company after the date of Allotment will be payable to the transferee who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapter titled Dividend Policy beginning on pages 218 of this Draft Red Herring Prospectus.

Face Value and Issue Price

The face value of each Equity Share is Rs. 10/- and the Offer Price at the lower end of the Price Band is Rs. [●] /- per Equity Share and at the higher end of the Price Band is Rs. [●] /- per Equity Share. The Anchor Investor Offer Price is Rs. [●] /- per Equity Share.

The Price Band and the Bid Lot will be decided by our Company, in consultation with the BRLM, and published by our Company in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper and [●] edition of [●] being the regional language of West Bengal, where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchange for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with the disclosure and accounting norms

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.



Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “Main Provisions of Articles of Association” on page 339 of this Draft Red Herring Prospectus.

Allotment only in Dematerialized form

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- Tripartite agreement dated May 31, 2024, among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated April 24, 2024, among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Application value, Market Lot and Trading Lot

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.



The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the EMERGE Platform of NSE from time to time by giving prior notice to investors at large. For further details, see “Issue Procedure” on page 295 of this Draft Red Herring Prospectus.

Minimum Number of Allottees

Further in accordance with Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be titled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon



production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in "Capital Structure" on page 78 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "Main Provisions of Articles of Association" on page 339 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.



Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

Minimum Subscription

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Offer, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” on page 70 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



Period of Subscription List of the Public Issue

| Event | Indicative Date |
|---|------------------|
| Offer Opening Date | [●] |
| Offer Closing Date | [●] |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or before [●] |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or before [●] |
| Credit of Equity Shares to Demat Accounts of Allottees | On or before [●] |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or before [●] |

Note: Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, for which period shall start from the day following the receipt of a complaint from the Bidder. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. dated April 20, 2022 and SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.



Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Migration to Main Board

In accordance with the National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

Our company may migrate to the main board of NSE Limited at a later date subject to the following:

- a. *If the Paid-up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

Further, as per the NSE Circular no. 01/2023 dated April 20, 2023, Following are the Eligibility criteria for Migration from NSE SME Platform to NSE Main Board:

1. Our company should have been listed on SME platform of the Exchange for at least 3 years.



2. Our company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
3. The total number of public shareholders of our company on the last day of the preceding quarter from date of application should be at least 1000 (One Thousand).
4. The Net worth of our company should be at least 50 crores.

Market Making

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the Emerge Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer to chapter titled General Information beginning on page 70 of this Draft Red Herring Prospectus.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the StockExchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.



ISSUE PROCEDURE

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the BRLM would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus.

All Applicants shall review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Document will also be available on the websites of the Stock Exchange and the BRLM, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase-I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of six months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for



initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023, and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

REDUCTION OF TIMELINE FOR LISTING OF SHARES IN PUBLIC ISSUE FROM EXISTING T+6 DAYS TO T+3 DAYS

The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing t+6 days to t+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023 and Mandatory for public issues opening on or after December 1, 2023.

Consequent to extensive consultation with the market participants and considering the public comments received pursuant to consultation paper on the aforesaid subject matter, it has been decided to reduce the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the requirement of 6 working days (T+6 days); 'T' being issue closing date.

The T+3 timeline for listing shall be appropriately disclosed in the Offer Documents of public issues.

Notwithstanding anything contained in Schedule VI of the ICDR Regulations, the provisions of this circular shall be applicable:

- On voluntary basis for public issues opening on or after September 1, 2023, and
- Mandatory for public issues opening on or after December 1, 2023

The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022, shall stand modified to the extent stated in this Circular.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47



dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 01, 2022) whose application sizes are up to Rs. 5,00,000/- shall use the UPI Mechanism.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on www.nseindia.com For details on their designated branches for submitting Application Forms, please see the above mentioned website of NSE.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus.

BOOK BUILT PROCEDURE

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or



above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Abridged Prospectus/ Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLM to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from three Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual applicant, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b. Phase II: This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be



continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

- c. Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023, and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed [●] as the Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Investors into the UPI mechanism.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than Rs. 200,000 and up to Rs. 5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock



Exchange and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The RIS Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Issue. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Red Herring Prospectus.

The prescribed colour of the Application Form for various categories is as follows:



| Category | Colour of Application Form |
|---|----------------------------|
| Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis | [●] |
| Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis | [●] |
| Anchor Investors | [●] |

**Excluding electronic Bid cum Application Form*

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.
- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.
- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

ELECTRONIC REGISTRATION OF BIDS

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

| Sr. No. | Designated Intermediaries |
|---------|---|
| 1. | An SCSB, with whom the bank account to be blocked, is maintained. |
| 2. | A syndicate member (or sub-syndicate member). |
| 3. | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker'). |
| 4. | A depository participant ('P') (whose name is mentioned on the website of the stock |



| | |
|----|--|
| | exchange as eligible for this activity). |
| 5. | A registrar to an Offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity). |

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|--|---|
| For Applications submitted by investors to SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For Applications submitted by investors to intermediaries other than SCSBs: | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment: | After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields sviz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

AVAILABILITY OF RED HERRING PROSPECTUS/ PROSPECTUS AND BID CUM APPLICATION FORMS

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of



the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

WHO CAN BID?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.

Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;



- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications shall not be made by:

- a. Minors (except through their Guardians)
- b. Partnership firms or their nominations
- c. Foreign Nationals (except NRIs)
- d. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE



1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Bidders and QIBs)

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●], all editions of [●] newspaper being Regional language where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

a) The Bid / Offer Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Bid/ Offer Period may be extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●], all editions of [●] newspaper being Regional language where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

b) During the Bid/ Offer Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.



c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.

e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 295 of this Draft Red Herring Prospectus.

h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.

i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate



request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

Bids At Different Price Levels And Revision Of Bids

1. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
2. Our Company, in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
3. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
4. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
5. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other Bidders

PARTICIPATION BY ASSOCIATES/AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS

The BRLM and the syndicate member, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and the syndicate members may subscribe to Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of Applicants, including associates and affiliates of the BRLM and syndicate member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

OPTION TO SUBSCRIBE IN THE ISSUE

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.



- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Bidders whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Bidders has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN



allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating in transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BID BY MUTUAL FUNDS

With respect to Bid by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with BRLM reserves the right to reject any application without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

As per the current regulations, the following restrictions are applicable for investments by mutual funds.

No mutual fund scheme shall invest more than 10.00% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10.00% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY ELIGIBLE NRI

Eligible NRIs may obtain copies of Bid cum Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident



External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than Rs. 2,00,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding Rs. 2,00,000 would be considered under the Non-Institutional Category for allocation in the Offer.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with an income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-Residents (blue in color). For details of restrictions on investment by NRIs, please refer to the chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on page 333 of this Draft Red Herring Prospectus.

BIDS BY ELIGIBLE FIIs/FPIs

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The



aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Offer.

BIDS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND(AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III



AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the issue only through the ASBA Process.

BIDS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the IRDA Investment Regulations), are broadly set forth below:

1. Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12.00% of outstanding equity



shares (face value) for insurers with investment assets of Rs. 500,000.00 million or more but less than Rs. 2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time

BIDS BY BANKING COMPANIES

Applications by Banking Companies: In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

BIDS BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

BIDS BY ANCHOR INVESTORS

Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids



by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.

3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 90 days on fifty per cent of the shares allotted to the anchor investors from the date of allotment, and a lock-in of 30 days on the remaining fifty per cent of the shares allotted to the anchor investors from the date of allotment.
11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered



societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the BRLM may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer.



The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of Payment

The entire Offer price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November



01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - i. the applications accepted by them,
 - ii. the applications uploaded by them
 - iii. the applications accepted but not uploaded by them, or
 - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - i. The applications accepted by any Designated Intermediaries
 - ii. The applications uploaded by any Designated Intermediaries or
 - iii. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| S. No. | DETAILS* |
|---------------|-------------------|
| 1. | Symbol |
| 2. | Intermediary Code |



| | |
|-----|-----------------|
| 3. | Location Code |
| 4. | Application No. |
| 5. | Category |
| 6. | PAN |
| 7. | DP ID |
| 8. | Client ID |
| 9. | Quantity |
| 10. | Amount |

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
 - Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed



or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the book

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Offer Period.

Withdrawal of Bids

- i. RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- ii. The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Offer Price and the Anchor Investor Offer Price.
- b. The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.



- d. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under subscription applicable to the Issuer, Bidders may refer to the RHP.
- e. In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage. f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process:

Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|---------------------|-----------------------|----------------------------|---------------------|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Signing of Underwriting Agreement and Filing of Red Herring Prospectus/Prospectus with ROC

- a) Our company has entered into an Underwriting Agreement dated [●].
- b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be filing with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI ICDR Regulations, shall be in the format prescribed in Part A of Schedule VI of the



SEBI ICDR Regulations.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Ensure that you have Bid within the Price Band;
- Read all the instructions carefully and complete the applicable Bid cum Application Form in prescribed format;
- Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- All Bidders should submit their Bids through the ASBA process only;
- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
- Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
- Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Bid cum Application Form;
- RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
- RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
- RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Offer;
- RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
- RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms
- QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to



SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;

- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
- Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Draft Red Herring Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own



bank account linked UPI ID to make application in the Public Offer;

- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA
- Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Bid;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;
- RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank before 5:00 p.m. before the Bid / Offer Closing Date;
- RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
- RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
- Bids by Eligible NRIs and HUFs for a Bid Amount of less than Rs. 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding Rs. 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, is liable to be rejected.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest
- RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;



- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer.
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
- All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.



- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the BRLM reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Bid submitted without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

GROUND FOR REJECTIONS



In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, the bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form
- Bids submitted on a plain paper
- Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI
- ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary
- Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- Bids submitted without the signature of the First Bidder or sole Bidder
- The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
- GIR number furnished instead of PAN;
- Bids by RIBs with Bid Amount of a value of more than Rs. 2,00,000;
- Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals
- Bids accompanied by stock invest, money order, postal order or cash; and
- Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange
- Applications by OCBs;

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Net Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.



If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Net Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. For QIBs

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price.

Allotment shall be undertaken in the following manner:

- In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
 - i. In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
 - ii. In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
 - iii. Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

- In the second instance Allotment to all QIBs shall be determined as follows:
 - i. In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
 - ii. Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
 - iii. Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.



c) Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this DRHP.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment advice



- a. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- b. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer. The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
- c. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

Instruction for completing the Bid cum application form.

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012, has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e., www.bseindia.com/ and NSE i.e. www.nseindia.com/

Bidder's Depository Account and Bank Details



Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid cum Application form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in case of Delay

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations,



the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who –

- a. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

Undertakings by our company

Our Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within three Working Days of Issue Closing Date or such time as prescribed;
5. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the



Issue by our Company;

6. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
7. That no further Issue of Equity Shares shall be made till the Equity Shares issued through this Draft Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
9. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
10. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time;

Utilization of Issue Proceeds

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

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RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under the automatic route in our Company.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

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ISSUE STRUCTURE

This Issue has been made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations whereby, our post-issue face value capital is more than ten crore rupees and upto twenty-five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of NSE Limited). For further details regarding the salient features and terms of this Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 286 and 295 of this Draft Red Herring Prospectus.

Present Issue Structure

Initial Public Offer of 29,18,400 Equity Shares of Rs. 10/- each ("Equity Shares") of Pranik Logistics Limited ("PLL" or the "Company") for cash at a price of Rs. [●]/- per equity share (the "Issue Price"), aggregating to Rs. [●] Lakhs ("The Offer). Out of the Issue, 1,61,800 equity shares aggregating to Rs. [●] Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e., Issue of 27,56,800 equity shares of face value of Rs. 10.00/- each at an issue price of Rs. [●]/- per equity share aggregating to Rs. [●] Lakhs is hereinafter referred to as the "Net Issue". The Issue and the net Issue will constitute 26.51 % and 25.04 %, respectively of the Post Issue paid up equity share capital of our company.

| Particulars of the Issue | Market Maker Reservation Portion | QIBs | Non – Institutional Investors | Retail Individual Investors |
|---|----------------------------------|--|--|---|
| Number of Equity Shares available for allocation | 1,61,600 Equity shares | [●] Equity shares | [●] Equity shares | [●] Equity shares |
| Percentage of Issue Size available for allocation | 5.54 % of the issue size | Not more than 50.00% of the Net offer size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only. | Not less than 15.00% of the Offer shall be available for allocation. | Not less than 35.00% shall be available for allocation. |



| | | | | |
|--------------------------|---|---|--|---|
| Basis of Allotment | Firm Allotment | Proportionate as follows (excluding the Anchor Investor Portion: (a) up to [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled “Offer Procedure” beginning on page 295. | Proportionate | Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Offer Procedure” on page 295. |
| Mode of Application | All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA). | | | |
| Minimum Bid Size | [●] Equity Shares in multiple of [●] Equity shares | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds Rs. 200,000. | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds Rs. 200,000. | [●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed Rs. 2,00,000. |
| Maximum Application Size | [●] Equity Shares | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits. | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder. | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000. |
| Mode of Allotment | Dematerialized Form | | | |
| Trading Lot | [●] Equity Shares, however, the Market Maker | [●] Equity Shares and in multiples thereof | [●] Equity Shares and in multiples thereof | [●] Equity Shares and in multiples thereof |



| | | | | |
|------------------|--|--|--|--|
| | may accept odd lots if any in the market as required under the SEBI ICDR Regulations | | | |
| Terms of Payment | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form. | | | |

Note:

1. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
2. Applicants will be required to confirm and will be deemed to have represented to our Company, the BRLM, their respective directors, officers, agents, affiliates, and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on Emerge exchange/platform and for the secondary market trading on such exchange/platform, as under:

| Issue Price (in Rs.) | Lot Size (No. of shares) |
|-------------------------|--------------------------|
| Upto 14 | 10000 |
| More than 14 upto 18 | 8000 |
| More than 18 upto 25 | 6000 |
| More than 25 upto 35 | 4000 |
| More than 35 upto 50 | 3000 |
| More than 50 upto 70 | 2000 |
| More than 70 upto 90 | 1600 |
| More than 90 upto 120 | 1200 |
| More than 120 upto 150 | 1000 |
| More than 150 upto 180 | 800 |
| More than 180 upto 250 | 600 |
| More than 250 upto 350 | 400 |
| More than 350 upto 500 | 300 |
| More than 500 upto 600 | 240 |
| More than 600 upto 750 | 200 |
| More than 750 upto 1000 | 160 |
| Above 1000 | 100 |

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with BRLM, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the



initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

*50% of the shares offered are reserved for applications below Rs.2.00 lakh and the balance for higher amount applications.

WITHDRAWAL OF THE ISSUE

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper, where the Registered office of the Company is situated.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Kolkata.

BID/ISSUE PROGRAMME

| Events | Indicatives date |
|---|-------------------------|
| Bid/Issue opening date | [●] |
| Bid/Issue closing date | [●] |
| Finalization of Basis of Allotment with the Designated Stock Exchange | [●] |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | [●] |
| Credit of Equity Shares to Demat accounts of Allottees | [●] |
| Commencement of trading of the Equity Shares on the Stock Exchange | [●] |

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.



Standardization of cut-off time for uploading of applications on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from non-retail applicants i.e., QIBs, HNIs and employees (if any).

A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by BRLM to the Exchange within half an hour of such closure.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

The Companies Act, 2013

(Company Limited by Shares)

ARTICLES OF ASSOCIATION

OF

PRANIK LOGISTICS LIMITED

PRELIMINARY

1. The Regulations contained in Table F in Schedule I to the Companies Act, 2013 shall apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the Company and its members as if they are the terms of an agreement between them.

INTERPRETATION

1. (i) In these Regulations:-

- (a) “**Company**” means **PRANIK LOGISTICS LIMITED**.
- (b) the Act” means the “Companies Act, 2013 and every statutory modification or re-enactment thereof and references to Sections of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.
- (c) “these Regulations” means these Articles of Associations as originally framed or as altered, from time to time.
- (d) “the office” means the Registered Office for the time being of the Company.
- (e) “the Seal” means the common seal and stamp of the Company.
- (f) Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall includes bodies corporate and all other persons recognized by law as such.
- (g) “month” means a calendar month and “year” means financial year respectively.
- (h) Expressions referring to writing shall be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.
- (i) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.
- (j) The Company is a “**Public Company**” within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly means a company which-



- a) is not a private company;
 b) has minimum paid up share capital, as may be prescribed.

| Title of Article | No. | Content |
|--|-----|--|
| CAPITAL AND INCREASE AND REDUCTION OF CAPITAL | | |
| Share Capital | 3 | The Authorised Share Capital of the Company shall be such amount; divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association of the Company; with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential , convertible, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force. |
| Increase of Capital by the Company how carried into effect | 4 | The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new shares which may be unclassified and may be classified at the time of issue in one or more classes and such amount or amounts as may be deemed expedient. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Companies Act, 2013. Whenever the capital of the Company has been increased under the provisions of this Articles the Directors shall comply with the provisions of Section 64 of the Companies Act, 2013. |
| New Capital same as existing capital | 5 | Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. |
| Non Voting Shares | 6 | The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, in the event it is permitted by law to issue shares without voting rights attached to the subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force. |
| Redeemable Preference Shares | 7 | Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption. |
| Voting rights of preference shares | 8 | The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares and in circumstances provided under Section 47(2). |
| Provisions to apply on issue of Redeemable | 9 | On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect: |



| | | |
|---|----|---|
| Preference Shares | | <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.</p> <p>(b) No such Shares shall be redeemed unless they are fully paid.</p> <p>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.</p> <p>(e) Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of preference shares hereunder may be affected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.</p> |
| Reduction of capital | 10 | <p>The Company may (subject to the provisions of section 52, 55(1) & (2) of the Companies Act, 2013 and Section 80 of the Companies Act, 1956, to the extent applicable, and Section 100 to 105 of the Companies Act, 1956, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account.</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p> |
| Purchase of own Shares | 11 | <p>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.</p> |
| Sub-division consolidation and cancellation of Shares | 12 | <p>Subject to the provisions of Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.</p> |
| MODIFICATION OF RIGHTS | | |
| Modification of rights | 13 | <p>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 48 of the Companies Act, 2013 be modified, commuted, affected, abrogated, dealt with or</p> |



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| | | <p>varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking pari passu therewith.</p> |
| SHARES, CERTIFICATES AND DEMATERIALISATION | | |
| Restriction on allotment and return of allotment | 14 | The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Section 39 of the Companies Act, 2013, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013. |
| Further issue of shares | 15 | 1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered- |
| | | a. to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:— |
| | | b. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined; |
| | | c. the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right; |
| | | d. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company; |
| | | e. to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or |
| | | f. to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed. |
| | | 2) The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue. |
| 3) Nothing aforesaid shall apply to the increase of the subscribed capital of a | | |



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| | | <p>company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.</p> |
| Shares at the disposal of the Directors | 16 | <p>Subject to the provisions of Section 62 of the Companies Act, 2013 and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p> |
| Power to offer Shares/options to acquire Shares | 16A | <p>1) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> |
| | | <p>2) In addition to the powers of the Board under Article 16A (1), the Board may also allot the Shares referred to in Article 16A (1) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A (1)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p> |
| | | <p>3) The Board, or any Committee there of duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A (1) and (2) above.</p> |
| Application of premium received on Shares | 17 | <p>1) Where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the securities</p> |



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| | | premium account were paid up share capital of the Company. |
| | | <p>2) The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:</p> <ol style="list-style-type: none"> a. In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares; b. In writing off the preliminary expenses of the Company; c. In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ;or d. In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company. e. For the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013. |
| Power also to Company in General Meeting to issue Shares | 18 | In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares. |
| Power of General Meeting to authorize Board to offer Shares/Options to employees | 18A | Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the afore said purpose. In addition to the powers contained in Article 18A (1), the General Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article. |
| Shares at a discount | 19 | The Company shall not issue Shares at a discount except the issue of Sweat Equity Shares of a class already issued, if the following conditions are fulfilled, namely: <ol style="list-style-type: none"> (a) the issue is authorized by a special resolution passed by the company; (b) the resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to |



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| | | <p>whom such equity shares are to be issued;</p> <p>(c) not less than one year has, at the date of such issue, elapsed since the date on which the company had commenced business; and</p> <p>(d) where the equity shares of the company are listed on a recognized stock exchange, the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with the prescribed rules.</p> |
| Installments of Shares to be duly paid | 20 | If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided. |
| The Board may issue Shares as fully paid-up | 21 | Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares. |
| Acceptance of Shares | 22 | Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member. |
| Deposit and call etc., to be debt payable | 23 | The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. |
| Liability of Members | 24 | Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof. |
| Dematerialization of securities | 25A | <p>Definitions:</p> <p>Beneficial Owner "Beneficial Owner" means a person whose name is recorded as such with a Depository.</p> <p>SEBI "SEBI" means the Securities and Exchange Board of India.</p> <p>Bye-Laws "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;</p> <p>Depositories Act "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;</p> <p>Depository "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration</p> |



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| | | <p>under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;</p> <p>Record “Record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;</p> <p>Regulations “Regulations” mean the regulations made by SEBI;</p> <p>Security “Security” means such security as may be specified by SEBI.</p> |
| Dematerialization of securities | 25B | <p>Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.</p> |
| Options to receive security certificates or hold securities with depository | 25C | <p>Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.</p> <p>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.</p> |
| Securities in depositories to be in fungible form | 25D | <p>All Securities held by a Depository shall be dematerialized and shall be in a fungible form;</p> |
| Rights of depositories and beneficial owners | 25E | <ol style="list-style-type: none"> 1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner; 2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it; 3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository. |
| Depository To Furnish Information | 25F | <p>Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.</p> |
| Service of documents | 25G | <p>Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.</p> |
| Option to opt out in respect of any security | 25H | <p>If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.</p> |



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| Sections 45 and 56 of the Companies Act, 2013 not to apply | 25I | Notwithstanding anything to the contrary contained in the Articles: 1) Section 45 of the Companies Act, 2013 shall not apply to the Shares held with a Depository; 2) Section 56 of the Companies Act, 2013 shall not apply to transfer of Security affected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository. |
| Share certificate | 26 | (a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to anyone of such joint owners, on behalf of all of them. |
| Limitation of time for issue of certificates | 26A | Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder. |
| Renewal of share certificates | 27 | No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn-out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized. |
| Issue of new certificate in place of one defaced, lost or destroyed | 28 | If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. |
| | | Provided that notwithstanding what is stated above the Directors shall comply with |



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| | | such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf. |
| | | The provision of this Article shall mutatis mutandis apply to Debentures of the Company. |
| The first name joint holder deemed sole holder | 29 | If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles. |
| Issue of Shares without Voting Rights | 30 | In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law. |
| Buy-Back of Shares and Securities | 31 | Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 67 and SEBI (Buy Back of Shares) Regulations as may be permitted by law. |
| Employees Stock Options Scheme/Plan | 32 | The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit. |
| Sweat Equity | 33 | Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition. |
| Postal Ballot | 34 | The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Companies Act, 2013 and such other applicable provisions of the Act and any future amendments or re-enactment thereof and as may be required by any other law including Listing Regulations as amended from time to time. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company. |
| Company not bound to recognize any | 35 | Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is |



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| interest in Shares other than of registered holder | | by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them. |
| Trust recognized | 36 | <p>(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p> <p>(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.</p> |
| Declaration by person not holding beneficial interest in any Shares | 37 | <p>1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act.</p> <p>2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act.</p> <p>3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act</p> <p>4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p> |
| Funds of Company not to be applied in purchase of Shares of the Company | 38 | No funds of the Company shall except as provided by Section 67 of the Companies Act, 2013 be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 (to the extent applicable) of Companies Act, 2013 and Sections 80 and 100 to 105 of the Companies Act, 1956 and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company |



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| | | in its holding Company. |
| UNDERWRITING AND BROKERAGE | | |
| Commission may be paid | 39 | Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company. |
| Brokerage | 40 | The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful. |
| Commission to be included in the annual return | 41 | Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Section 92 to the Companies Act, 2013. |
| DEBENTURES | | |
| Debentures with voting rights not to be issued | 42 | <p>(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>(b) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 327 of the Companies Act, 2013.</p> <p>(c) Certain charges (which expression includes mortgage) mentioned in Section 77 of the Companies Act, 2013 shall be void against the Liquidator or creditor unless registered as provided in Section 77 of the Companies Act, 2013.</p> <p>(d) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>(e) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Companies Act, 2013) within six months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture- stock allotted or transferred.</p> <p>(f) The Company shall comply with the provisions of Section 71 of the Companies Act, 2013 as regards supply of copies of Debenture Trust Deed and inspection thereof.</p> <p>(g) The Company shall comply with the provisions of Section 2(16), 77 to 87 (inclusive) of the Companies Act, 2013 as regards registration of charges.</p> |
| CALLS | | |
| Directors may make calls | 43 | <p>(a) Subject to the provisions of Section 49 of the Companies Act, 2013 the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p> |



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| Notice of call when to be given | 44 | Not less than fourteen days notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid. |
| Call deemed to have been made | 45 | A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors. |
| Directors may extend time | 46 | The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour. |
| Amount payable at fixed time or by installments to be treated as calls | 47 | If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly. |
| When interest on call or installment payable | 48 | If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding ten percent per annum as Directors shall fix from the day appointed for the payment thereof up to the time of actual payment but the Directors may waive payment of such interest wholly or in part. |
| Evidence in action by Company any againstshare holder | 49 | On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt. |
| Payment in anticipation of calls may carry interest | 50 | The Directors may, if they think fit, subject to the provisions of Section 50 of the Companies Act, 2013, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer |



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| | | <p>a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.</p> |
| LIEN | | |
| Partial payment not to preclude forfeiture | 51 | Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided. |
| Company's lien on Shares/ Debentures | 52 | The Company shall have first and paramount lien upon all Shares/Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article. |
| As to enforcing lien by sale | 53 | <p>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same.</p> <p>PROVIDED THAT no sale shall be made:-</p> <p>(a) Unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.</p> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their members to execute a transfer there from on behalf of and in the name of such Members.</p> <p>The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.</p> |
| Application of proceeds of sale | 54 | <p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</p> |



FORFEITURE OF SHARES

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| If money payable on Shares not paid notice to be given | 55 | If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. |
| Sum payable on allotment to be deemed a call | 56 | For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment. |
| Form of notice | 57 | The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited. |
| In default of payment Shares to be forfeited | 58 | If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture. |
| Notice of forfeiture to a Member | 59 | When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid. |
| Forfeited Shares to be the property of the Company and may be sold etc. | 60 | Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit. |
| Member still liable for money owing at the time of forfeiture and interest | 61 | Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so. |
| Effects of forfeiture | 62 | The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved. |
| Power to | 63 | The Board of Directors may at any time before any Share so forfeited shall have |



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| annul forfeiture | | been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. |
| Declaration of forfeiture | 64 | <p>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> <p>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.</p> |
| Provisions of these articles as to forfeiture to apply in case of non-payment of any sum | 65 | The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. |
| Cancellation of shares certificates in respect of forfeited Shares | 66 | Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto. |
| Evidence of forfeiture | 67 | The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. |
| Validity of sale | 68 | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. |
| Surrender of Shares | 69 | The Directors may subject to the provisions of the Act, accept surrender of any share from any Member desirous of surrendering on such terms and conditions as |



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| | | they think fit. |
| TRANSFER AND TRANSMISSION OF SHARES | | |
| No transfers to minors etc. | 70 | No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind. |
| Instrument transfer of | 71 | The instrument of transfer shall be in writing and a common form of transfer shall be used and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. |
| Application transfer for | 72 | <p>(a) An application for registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee.</p> <p>(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.</p> <p>(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.</p> |
| Execution transfer of | 73 | The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with. |
| Transfer by legal representatives | 74 | A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer. |
| Register of Members etc when closed | 75 | The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders , in accordance with Section 91 of the Companies Act, 2013 and rules made thereunder, at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board. |
| Directors may refuse to register transfer | 76 | Subject to the provisions of Section 58 & 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that |



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| | | the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. |
| Death of one or more joint holders of Shares | 77 | In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognized by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person. |
| Titles of Shares of deceased Member | 78 | 78.The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 and 56 of the Companies Act, 2013. |
| Notice of application when to be given | 79 | Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Companies Act, 2013. |
| Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause) | 80 | Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause". |
| Refusal to register nominee | 81 | Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration. |
| Person entitled may receive dividend | 82 | A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of |



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| without being registered as a Member | | the Share. |
| No fee on transfer or transmissions | 83 | No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document. |
| Transfer to be presented with evidence of title | 84 | Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. |
| Company not liable for disregard of a notice prohibiting registration of transfer | 85 | The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit. |
| CONVERSION OF SHARES INTO STOCK AND RECONVERSION | | |
| Share may be converted into stock | 86 | The Company may, by Ordinary Resolution convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares. |
| Transfer of stock | 87 | The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit. PROVIDED THAT the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose. |
| Right of stockholders | 88 | The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them in Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages. |
| Regulation applicable to stock and share warrant | 89 | Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Shareholder" in these regulations shall include "stock" and "stock holder" respectively. |
| BORROWING POWERS | | |



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| Power to borrow | 90 | <p>Subject to the provisions of Sections 73, 74 and 179 of the Companies Act, 2013 and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source.</p> <p>PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.</p> |
| The payment or repayment of moneys borrowed | 91 | <p>The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p> |
| Bonds, Debentures, etc. to be subject to control of Directors | 92 | <p>Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being for the benefit of the Company.</p> |
| Terms of issue of Debentures | 93 | <p>Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p> |
| Mortgage of uncalled capital | 94 | <p>If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.</p> |
| Indemnity may be given | 95 | <p>Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in</p> |



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| | | respect of such liability. |
| RELATED PARTY TRANSACTIONS | | |
| Related Party Transactions | 96 | <p>A. Subject to the provisions of the Act, the Company may enter into contracts with the Related Party which are at arm's length and are in ordinary course of business of the company with approval of the Audit Committee.</p> <p>B. Subject to the provisions of the Act, the Company may enter into contracts with the related parties which are of such nature wherein it requires consent of shareholders in terms of Act or Listing Regulations or any other law for the time being in force, with approval of the shareholders in the general meeting.</p> |
| MEETING OF MEMBERS | | |
| Annual General Meeting | 97 | <p>i. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next.</p> <p>ii. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time with which any Annual General Meeting may be held.</p> <p>iii. Every Annual General Meeting shall be called at a time during business hours i.e. 9 a.m. to 6 p.m., on a day that is not a National holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.</p> <p>iv. The company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting.</p> <p>v. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.</p> <p>vi. At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting.</p> <p>vii. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.</p> |
| Report statement and registers to be laid before the Annual General Meeting | 98 | The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting. |
| Extra-Ordinary General Meeting | 99 | All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting. |
| Requisitionists ' Meeting | 100 | 1) Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of Members as is |



herein after specified:-

- a. Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.
 - b. Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.
- 2) The number of Members necessary for a requisition under clause (1) hereof shall be such number of Members as represent not less than one-tenth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or
- 3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.
- 4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:
- a. A copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.
 - i. In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting;
 - ii. In the case of any other requisition, not less than two weeks before the Meeting, and
 - b. There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company's expenses in giving effect thereto.

PROVIDED THAT if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes thereof.

- 5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.
- 6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental



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| | | omission in giving it to one or more Members. |
| Extra-Ordinary General Meeting by Board and by requisition When a Director or any two Members may call an Extra-Ordinary General Meeting | 101 | <p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p> <p>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.</p> |
| Contents of requisition, and number of requisitionists required and the conduct of Meeting | 102 | <p>1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (c) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>i. by the requisitionists themselves; or</p> <p>ii. by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) whichever is less.</p> <p>PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114 of the Companies Act, 2013.</p> |
| | | <p>2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but</p> |



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| | | <p>(b) shall not be held after the expiration of three months from the date of deposit of the requisition.</p> <p>PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p> |
| | | <p>3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.</p> |
| | | <p>4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p> |
| Length of notice of Meeting | 103 | <p>1) A General Meeting of the Company may be called by giving not less than twenty-one days notice inwriting.</p> <p>2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>i. In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>ii. In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p> |
| Contents and manner of service of notice and persons on whom it is to be served | 104 | <p>1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>2) Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <p>(a) to every Member of the Company, in any manner authorized by Section 20 of the Companies Act, 2013</p> <p>(b) to the persons entitled to a Share in consequence of the death or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>(c) to the Auditor or Auditors for the time being of the Company</p> <p>3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p> |
| Special and ordinary | 105 | <p>1) (a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating</p> |



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| business and explanatory statement | | <p>to</p> <ol style="list-style-type: none"> i. the consideration of the accounts, balance sheet, the reports of the Board of Directors and Auditors; ii. the declaration of dividend; iii. the appointment of Directors in the place of those retiring; and iv. the appointment of, and the fixing of the remuneration of the Auditors, and <p>(b) In the case of any other meeting, all business shall be deemed special.</p> <p>2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up- share capital of the other company.</p> <p>3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p> |
| Omission to give notice not to invalidate Proceedings | 106 | The accidental omission to give such notice as aforesaid to or non-receipt thereof by any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting. |
| MEETING OF MEMBERS | | |
| Notice of business to be given | 107 | No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting. |
| Quorum | 108 | <p>The quorum for General Meetings shall be as under:-</p> <ol style="list-style-type: none"> i. five members personally present if the number of members as on the date of meeting is not more than one thousand; ii. fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; iii. thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; <p>No business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Companies Act, 2013.</p> |
| If quorum not present when | 109 | If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition |



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| Meeting to be dissolved and when to be adjourned | | of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called. |
| Resolution passed at adjourned Meeting | 110 | Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. |
| Chairman of General Meeting. | 111 | At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman. |
| Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required | 112 | Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution. |
| Business confined to election of Chairman whilst the Chair is vacant | 113 | No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant. |
| Chairman may adjourn Meeting | 114 | <p>(a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place.</p> <p>(b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place</p> <p>(c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting.</p> <p>(d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.</p> |
| How questions are decided at Meetings | 115 | Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles. |
| Chairman's | 116 | A declaration by the Chairman of the Meeting that on a show of hands, a resolution |



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| declaration of result of voting on show of hands | | has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution. |
| Demand of poll | 117 | .Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand. |
| Time of taking poll | 118 | A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken. |
| Chairman's casting vote | 119 | In the case of equality of votes, the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member. |
| Appointment of scrutinizers | 120 | Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause. |
| Demand for poll not to prevent transaction of other business | 121 | The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded. |
| Special notice | 122 | Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, the notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting. |
| VOTES OF MEMBERS | | |
| Member paying money | 123 | A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be |



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| in advance not to be entitled to vote in respect thereof | | entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable. |
| Restriction on exercise of voting rights of Members who have not paid calls | 124 | No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien. |
| Number of votes to which Member entitled | 125 | <p>Subject to the provisions of Article 123, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorized) have one vote and on a poll, when present in person (including a body corporate by a duly authorized representative), or by an agent duly authorized under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company.</p> <p>Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in sub-section (2) of Section 47 of Companies Act, 2013) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares.</p> <p>A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.</p> |
| Votes of Members of unsound mind | 126 | A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy. |
| Votes of joint Members | 127 | If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorized under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled there to but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof. |
| Representation of body corporate | 128 | (a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorize such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting |



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| | | <p>of the creditors of the Company or Debenture-holders of the Company. A person authorized by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>(b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p> |
| Votes in respects of deceased or insolvent Members | 129 | Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof. |
| Voting in person or by proxy | 130 | Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 105 of the Companies Act, 2013. |
| Rights of Members to use votes differently | 131 | On a poll taken at a Meeting of the Company a member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses |
| Proxies | 132 | Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself. PROVIDED that a proxy so appointed shall not have any right whatsoever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company. |
| Proxy either for specified meeting or for a period | 133 | An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting. |
| No proxy to vote on a show of hands | 134 | No proxy shall be entitled to vote by a show of hands. |
| Instrument of proxy when to | 135 | The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or |



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| be deposited | | authority, shall be deposited at the Registered Office of the Company atleast forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid. |
| Form of Proxy | 136 | Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms as prescribed in the Companies Act, 2013, and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorized by it. |
| Validity of votes given by proxy notwithstanding revocation of authority | 137 | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked. |
| Time for objection to vote | 138 | No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting. |
| Chairman of any Meeting to be the judge of Validity of any value | 139 | The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive. |
| Custody of Instrument | 140 | If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy there of examined with the original shall be delivered to the Company to remain in the custody of the Company. |
| DIRECTORS | | |
| Number of Directors | 141 | Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen. |
| | 141A | First Directors of the Company were: i. Mr. Pranav Kumar Sonthalia ii. Mr. Priti Sonthalia |
| Appointment of Directors | 142 | The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable. |
| Debenture Directors | 143 | Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint |



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| | | any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein. |
| Nominee Director or Corporation Director | 144 | (a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places. |
| | | (b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company. |
| | | (c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall ipso facto vacate such office immediately on the moneys owing by the Company to the Corporation being paid off. |
| | | (d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes. |
| | | (e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation. |



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| | | <p>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p> |
| Special Director | 145 | <p>(a) In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as "collaboration" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.</p> <p>(b) The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.</p> <p>(c) It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as many special directors as the collaborators eligible to make the appointment.</p> |
| Limit on number of non-retiring Directors | 146 | <p>The provisions of Articles 143, 144 and 145 are subject to the provisions of Section 152 of the Companies Act, 2013 and number of such Directors appointed shall not exceed in the aggregate one third of the total number of Directors for the time being in office.</p> |
| Alternate Director | 147 | <p>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.</p> |
| Directors may | 148 | <p>The Directors shall have power at any time and from time to time to appoint any</p> |



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| fill in vacancies | | person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election. |
| Additional Directors | 149 | Subject to the provisions of Section 161 of the Companies Act, 2013 the Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board (“Additional Director”) so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only up to the date of the next Annual General Meeting and shall be eligible for election at such Meeting. |
| Qualification shares | 150 | A Director need not hold any qualification shares. |
| Directors’ sitting fees | 151 | The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine. |
| Extra remuneration to Directors for special work | 152 | <p>Subject to the provisions of Sections 188 and 197 of the Companies Act, 2013, if any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:</p> <ol style="list-style-type: none"> i. by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii. by way of commission if the Company by a Special Resolution authorized such payment. |
| Traveling expenses incurred by Directors on Company’s business | 153 | The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified. |
| Director may act notwithstanding vacancy | 154 | The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes. |



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| <p>Board resolution necessary for certain contracts</p> | <p>155</p> | <p>(a) Subject to the provisions of Section 188 of the Companies Act, 2013, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company:</p> <p>(a) For the sale, purchase or supply of goods, materials or services; or</p> <p>(b) for underwriting the subscription of any Share in or debentures of the Company;</p> <p>(c) nothing contained in clause (a) of sub-clause (1) shall affect:-</p> <p>i. the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>ii. any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business.</p> <p>PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.</p> |
| | | <p>(b) Notwithstanding any contained in sub-clause (1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(c) Every consent of the Board required under this Article shall be accorded by are solution passed at a meeting of the Board required under clause and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into</p> |
| | | <p>(d) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(e) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realized by any such contract or the fiduciary relation there by established.</p> |
| <p>Disclosure to the Members of Directors' interest in contract appointing Managers,</p> | <p>156</p> | <p>When the Company:-</p> <p>(a) enters into a contract for the appointment of a Managing Director or Whole-time Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Companies Act, 2013 shall be complied with.</p> |



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| Managing Director or Whole-time Director | | |
| Directors of interest General notice of disclosure | 157 | <p>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Companies Act, 2013.</p> <p>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 184 of the Companies Act, 2013 shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.</p> |
| Directors and Managing Director may contract with Company | 158 | Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Companies Act, 2013 and in this respect all the provisions of Section 184 and 189 of the Companies Act, 2013 shall be duly observed and complied with. |
| Disqualification of the Director | 159 | <p>A person shall not be capable of being appointed as a Director of the Company if:-</p> <p>(a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;</p> <p>(b) he is an un-discharged insolvent;</p> <p>(c) he has applied to be adjudged an insolvent and his application is pending;</p> <p>(d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed form the date of expiry of the sentence;</p> <p>(e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or</p> <p>(f) an order disqualifying him for appointment as Director has been passed by a Court, unless the leave of the Court has been obtained for his appointment.</p> |
| Vacation of office by | 160 | <p>The office of Director shall become vacant if:-</p> <p>(a) he is found to be of unsound mind by a Court of competent jurisdiction; or</p> |



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| Directors | | <p>(b) he applies to be adjudged an insolvent; or</p> <p>(c) he is adjudged an insolvent; or</p> <p>(d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or</p> <p>(e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or</p> <p>(f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or</p> <p>(g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Companies Act, 2013; or</p> <p>(h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 184 of the Companies Act, 2013; or</p> <p>(i) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or</p> <p>(j) if by notice in writing to the Company, he resigns his office, or</p> <p>(k) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p> |
| Vacation of office by Directors (contd.) | 161 | <p>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 160 hereof, the disqualification referred to in these clauses shall not take effect:</p> <p>(a) for thirty days from the date of the adjudication, sentence or order;</p> <p>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or</p> <p>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p> |
| Removal of Directors | 162 | <p>(a) The Company may subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 242 of the Companies Act, 2013 before the expiry of his period of office.</p> <p>(b) Special Notice as provided by these Articles or Section 115 of the Companies Act, 2013 shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.</p> |
| | | <p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be</p> |



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| | | <p>heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <ol style="list-style-type: none"> i. in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and ii. send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting: <p>Provided that copies of the representation need not be sent or read out at the Meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rightsconcernedbythissub-clausearebeingabusedtosecureneedlesspublicity for defamatory matter.</p> |
| | | <p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the Companies Act, 2013 be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause (e) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 148 or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly</p> <p>Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.\</p> <p>(g) Nothing contained in this Article shall be taken:-</p> <ol style="list-style-type: none"> i. as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or ii. as derogating from any power to remove a Director which may exist apart from this Article. |
| Interested Directors not to participate or vote in Board's proceedings | 163 | <p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void.</p> <p>Provided however, that nothing herein contained shall apply to:-</p> <p>(a) any contract of indemnity against any loss which the Directors, or any one or</p> |



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| | | <p>more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</p> <p>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;</p> <p>i. in his being:</p> <p>(a) a director of such company; and</p> <p>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</p> <p>ii. in his being a member holding not more than two percent of its paid-up share capital.</p> |
| Director may be director of companies promoted by the Company | 164 | A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197 or Section 188 of the Companies Act, 2013 may be applicable. |
| ROTATION AND APPOINTMENT OF DIRECTORS | | |
| Rotation of Directors | 165 | <p>Not less than two third of the total number of Directors shall:</p> <p>(a) Be persons whose period of the office is liable to termination by retirement by rotation and</p> <p>(b) Save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p> |
| Retirement of Directors | 166 | Subject to the provisions of Articles 145 and 147, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate. |
| Retiring Directors | 167 | Subject to the provisions of Section 152 of the Companies Act, 2013 and Articles 143 to 154, at every Annual General Meeting of the Company, one- third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 180, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a director retiring by rotation. |
| Appointment of Technical or Executive Directors | 168 | <p>(a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p> <p>(b) Subject to the provisions of Section 161 of the Companies Act, 2013 if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.</p> |
| Ascertainment | 169 | Subject to Section 152 of the Companies Act, 2013 the Directors retiring by |



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| of Directors retiring by rotation and filling of vacancies | | rotation under Article 167 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot. |
| Eligibility for re-election | 170 | A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires. |
| Company to fill vacancies | 171 | At the General Meeting, at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto. |
| Provision in default of appointment | 172 | <p>(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:</p> <ol style="list-style-type: none"> i. at that Meeting or the previous Meeting a resolution for the re- appointment of such Director has been put to the Meeting and lost. ii. the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be re-appointed. iii. he is not qualified or is disqualified for appointment. iv. a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or v. section 162 of the Companies Act, 2013 is applicable to the case. |
| Company may increase or reduce the number of Directors or remove any Director | 173 | Subject to the provisions of Section 149 and 152 of the Companies Act, 2013 the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications. |
| Appointment of Directors to be voted individually | 174 | <p>(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.</p> <p>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.</p> <p>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.</p> |
| Notice of candidature for office of | 175 | 1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days' notice in writing under his hand |



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| Directors except in certain cases | | <p>signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.</p> <p>2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office in such manner as may be prescribed.</p> <p>3) Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>4) A person other than:</p> <p>(a) a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or</p> <p>(b) an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013 appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office</p> <p>shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p> |
| Disclosure by Directors of their holdings of their Shares and debentures of the Company | 176 | <p>Every Director and every person deemed to be Director of the Company by virtue of Section 170 of the Companies Act, 2013 shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.</p> |
| Votes of Body Corporate | 177 | <p>A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.</p> |
| MANAGING DIRECTOR | | |
| Powers to appoint Managing Director | 178 | <p>Subject to the provisions of Section 196 and 203 of the Companies Act, 2013 the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to</p> |



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| | | hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956, to the extent applicable subject to the provisions of Section 152 of the Companies Act, 2013 the Managing Director shall not be, while he continues to hold that office, subject to retirement by rotation. |
| Remuneration of Managing Director | 179 | Subject to the provisions of Sections 196 and 197 of the Companies Act, 2013 a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company. |
| Special position of Managing Director | 180 | Subject to any contract between him and the Company, a Managing or Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause. |
| Powers of Managing Director | 181 | The Director may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers. |
| | 182 | The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles. |
| | 183 | Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign, accept and endorse cheques on behalf of the Company. |
| | 184 | The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. |
| | 185 | Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and |



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| | | especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company. |
| Appointment and powers of Manager | 186 | The Board may, from time to time, appoint any person as Manager (under Section 2(53) of the Companies Act, 2013) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient. |
| WHOLE TIME DIRECTOR | | |
| Power to appoint Whole-Time Director and/or Whole-time Directors | 187 | Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine and thinks fit. The Board may by ordinary resolution and/or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers, authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and/or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors/persons nominated under Article 188 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act. |
| To what provisions Whole time Directors shall subject | 188 | Subject to the provisions of Section 152 of the Companies Act, 2013 and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors and he/they shall ipso facto and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act in any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors. |
| Seniority of Whole Time Director and Managing Director | 189 | If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article, the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company. |
| PROCEEDINGS OF THE BOARD OF DIRECTORS | | |



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| Meeting of Directors | 190 | The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Companies Act, 2013 allow otherwise, Directors shall so meet at least once in every three months and at least four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum. |
| Quorum | 191 | <p>(a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher.</p> <p>PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of directors who are not interested present at the Meeting being not less than two shall be, the quorum during such time.</p> <p>(b) For the purpose of clause(a)</p> <p>i. "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and</p> <p>ii. "Interested Directors" mean any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.</p> |
| Procedure when Meeting adjourned for want of quorum | 192 | If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place. |
| Chairman of Meeting | 193 | The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting. |
| Question at Board meeting how decided | 194 | Subject to the provisions of Section 203 of the Companies Act, 2013 questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote. |
| Powers of Board meeting | 195 | A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally. |
| Directors may appoint Committee | 196 | The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Companies Act, 2013 and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any |



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| | | such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board. |
| Meeting of the Committee how to be governed | 197 | The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two. |
| Circular resolution | 198 | (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 197 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution. |
| Acts of Board or Committee valid notwithstanding defect in appointment | 199 | All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated. |
| POWERS OF THE BOARD | | |
| General powers of management vested in the Board of Directors | 200 | The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. |
| | | Provided that the Board shall not, except with the consent of the Company in General Meeting :- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the |



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| | | <p>undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</p> <p>(b) remit, or give time for the repayment of, any debt due by a Director,</p> <p>(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</p> |
| | | <p>(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;</p> <p>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p>i. Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause(e)</p> <p>ii. Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p> |
| Certain powers to be exercised by the Board only at Meetings | 201 | <p>1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>the power to issue Debentures,</p> <p>the power to borrow moneys otherwise than on Debentures,</p> <p>(a) the power to invest the funds of the Company, and</p> <p>(b) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub- clause (c),(d) and (e) to the extent specified below.</p> <p>2) Every resolution delegating the power referred to in sub-clause (1)(c) above shall specify the total amount outstanding at any one time, upto which moneys</p> |



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| | | <p>may be borrowed by the delegate.</p> <p>3) Every resolution delegating the power referred to in sub-clause (1)(d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>4) Every resolution delegating the power referred to in sub-clause (1)(e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p> |
| Certain powers of the Board | 202 | <p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <p>1) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.</p> <p>3) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> |
| | | <p>4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p>5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.</p> <p>6) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.</p> <p>7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.</p> <p>8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the</p> |



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| | <p>Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made there on.</p> <p>9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.</p> <p>10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.</p> <p>11) Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.</p> <p>12) To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.</p> |
| | <p>13) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>14) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising</p> |



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| | <p>dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> |
| | <p>17) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, laborers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.</p> <p>18) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>19) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>20) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and</p> |



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| | | <p>discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorize the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p> |
| | | <p>21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>22) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>23) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>24) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>25) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> |
| | | <p>26) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>27) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> |



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| | | <p>28) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>29) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>30) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on freehold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>31) To improve, manage, develop, exchange, lease, sell, resell and re- purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>32) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>33) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>34) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p> |
| MANAGEMENT | | |
| Appointment of different categories of Key managerial personnel | 203 | The Company shall have the following whole-time key managerial personnel,— i. managing director, or Chief Executive Officer or manager and in their absence, ii. a whole-time director; iii. company secretary; and iv. Chief Financial Officer |
| Same person may be Chairperson of the Board and MD/CEO | 203A | The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company. |
| MINUTES | | |
| Minutes to be made | 204 | <p>1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and</p> |



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| | | <p>signed:</p> <p>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee there of by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.</p> |
| Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept | 205 | <p>(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.</p> <p>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 and Section 120 of the Companies Act, 2013 and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.</p> |
| Presumptions | 206 | Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Companies Act, 2013 until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid. |
| THE SECRETARY | | |
| Secretary | 207 | The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called “the Secretary”) to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies Act, read with rules made thereunder. |
| The Seal, its custody and use | 208 | <p>(a) The Board shall provide for the safe custody of the seal.</p> <p>(b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least one director and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</p> |
| DIVIDENDS AND CAPITALISATION OF RESERVES | | |
| Division of profits | 209 | <p>(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;</p> <p>(b) No amount paid or credited as paid on a Share in advance of calls shall be</p> |



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| | | treated for the purpose of this Article as paid on the Shares. |
| The Company at General Meeting may declare dividend | 210 | The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Companies Act, 2013 but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting. |
| Dividends out of profits only | 211 | No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 123 of the Companies Act, 2013. |
| Interim Dividend | 212 | The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies. |
| Debts may be deducted | 213 | (a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. (b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same. |
| Capital paid-up in advance to carry interest, not the right to earn dividend | 214 | Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits. |
| Dividends in proportion to amounts paid-up | 215 | All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly. |
| No Member to receive dividend while indebted to the Company and the Company's right in respect thereof | 216 | No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company. |
| Effect of transfer of Shares | 217 | A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer. |
| Dividend to joint holders | 218 | 218. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares. |
| Dividend how remitted | 219 | The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint |



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| | | holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means. |
| Notice of dividend | 220 | Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided. |
| Reserves | 221 | The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit. |
| Dividend to be paid within time required by law. | 222 | The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-where the dividend could not be paid by reason of the operation on any law; or where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or where there is dispute regarding the right to receive the dividend; or where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company. |
| Unpaid or unclaimed dividend | 223 | Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “_____ (year)Unpaid Dividend Account”. Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Companies Act,2013. No unclaimed or unpaid dividend shall be forfeited by the Board. |
| Set-off of calls against dividends | 224 | Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls. |
| Dividends in cash | 225 | No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company. |
| Capitalisation | 226 | 1) The Company in General Meeting may, upon the recommendation of the |



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| | | <p>Board, resolve:</p> <p>(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and</p> <p>(b) That such sum be accordingly set free for distribution in the manner specified in clause amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.</p> <p>2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;</p> <p>(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or</p> <p>(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or</p> <p>(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)</p> <p>3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of un issued Shares to be issued to Members of the Company as fully paid bonus shares.</p> |
| Board to give effect | 227 | The Board shall give effect to the resolution passed by the Company in pursuance of above Article. |
| Fractional certificates | 228 | <p>1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;</p> <p>a. make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and</p> <p>b. Generally do all acts and things required to give effect thereto.</p> <p>2) The Board shall have full power:</p> <p>a. to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also</p> <p>b. to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalized of the amounts remaining unpaid on their existing Shares.</p> <p>3) Any agreement made under such authority shall be effective and binding on all such Members.</p> <p>4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.</p> |
| ACCOUNTS | | |
| Books to be kept | 229 | <p>1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:</p> <p>a. all sums of money received and expended by the Company and the matters</p> |



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| | | <p>in respect of which the receipt and expenditure takes place</p> <p>b. all sales and purchases of goods by the company</p> <p>c. the assets and liabilities of the Company and</p> <p>d. if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government</p> <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause(1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.</p> |
| Inspection by Members | 230 | No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board. |
| Statements of accounts to be furnished to General Meeting | 231 | The Board of Directors shall from time to time in accordance with Sections 129, 133, and 134 of the Companies Act, 2013, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act. |
| Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 136 | 232 | <p>1) The Company shall comply with the requirements of Section 136 of the Companies Act, 2013.</p> <p>2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.</p> <p>3) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.</p> |
| Accounts to be audited | 233 | Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors. |
| Appointment of Auditors | 234 | <p>1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 of the Companies Act, 2013.</p> <p>2) The Company shall at each Annual General Meeting appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting</p> |



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| | | <p>till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. The company shall place the matter relating to such appointment for ratification by members at every annual general meeting. The company shall also inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.</p> <p>3) The company or shall not appoint or re-appoint-</p> <p>(a) an individual as auditor for more than one term of five consecutive years; and</p> <p>(b) an audit firm as auditor for more than two terms of five consecutive years: Provided that—</p> <p>i. an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term;</p> <p>ii. an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of suchterm:</p> <p>4) Subject to the provisions of Clause (1) and the rules made thereunder, a retiring auditor may be re-appointed at an annual general meeting, if—</p> <p>(a) he is not disqualified for re-appointment;</p> <p>(b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and</p> <p>(c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.</p> <p>5) Where at any annual general meeting, no auditor is appointed or re- appointed, the existing auditor shall continue to be the auditor of the company.</p> <p>6) Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.</p> <p>7) Special notice shall be required for a resolution at an annual general meeting appointing as auditor a person other than a retiring auditor, or providing expressly that a retiring auditor shall not be re-appointed, except where the retiring auditor has completed a consecutive tenure of five years or, as the case may be, ten years, as provided under Clause (3).</p> |
| <p>Accounts when audited and approved to be conclusive except as to errors discovered within 3 months</p> | <p>235</p> | <p>Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.</p> |
| <p>DOCUMENTS AND NOTICES</p> | | |
| <p>To whom</p> | <p>236</p> | <p>Document or notice of every Meeting shall be served or given on or to (a) every</p> |



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| documents must be served or given | | Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company |
| Members bound by documents or notices served on or given to previous holders | 237 | Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share. |
| Service of documents on the Company | 238 | A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office. |
| Authentication of documents and proceedings | 239 | Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorized officer of the Company and need not be under the Seal of the Company. |
| REGISTERS AND DOCUMENTS | | |
| Registers and documents to be maintained by the Company | 240 | <p>The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:</p> <ul style="list-style-type: none"> (a) Register of investments made by the Company but not held in its own name, as required by Section 187 of the Companies Act, 2013 (b) Register of mortgages and charges as required by Section 85 of the Companies Act, 2013 and copies of instruments creating any charge requiring registration according to Section 85 of the Companies Act, 2013. (c) Register and index of Members and debenture holders as required by Section 88 of the Companies Act, 2013. (d) Foreign register, if so thought fit, as required by Section 88 of the Companies Act, 2013. (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Companies Act, 2013. (f) Register of Directors and Secretaries etc. as required by Section 170 of the Companies Act, 2013. (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 170 of the Companies Act, 2013. (h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 186 of the Companies Act, 2013. (i) Copies of annual returns prepared under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Companies Act, 2013. |
| Inspection of Registers | 241 | The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in |



| General Meeting. | | |
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| WINDING UP | | |
| Distribution of assets | 242 | 242.If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions. |
| Distribution in specie or kind | 243 | <p>(a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.</p> <p>(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p> |
| Right of shareholders in case of sale | 244 | A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction. |
| Directors and others right to indemnity | 245 | Every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his |



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| | | own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court. |
| Director, officer not responsible for acts of others | 246 | Subject to the provisions of Section 201 of the Act, no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty. |
| SECRECY CLAUSE | | |
| Secrecy Clause | 247 | Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained. |
| No Member to enter the premises of the Company without permission | 248 | No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be in expedient in the interest of the Company to disclose. |
| GENERAL | | |
| General Power | 249 | Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. |



SECTION X- OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus to be delivered to the RoC for filing and the documents for inspection referred to hereunder, may be inspected at the Registered office: P. S. Srijan Tech Park, Plot No. 52, Block DN, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal, India – 700091 from the date of filing this Draft Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Issue Agreement/ Memorandum of Understanding dated June 05, 2024, between our company and the Book Running Lead Manager.
2. Agreement dated June 05, 2024, between our company and the Registrar to the Issue.
3. Public Issue Agreement dated [●], among our Company, the Book Running Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated [●], between our company and the Underwriters.
5. Market making Agreement dated [●], between our company, the Book Running Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated April 24, 2024.
7. Agreement among CDSL, our company and the registrar to the issue dated May 31, 2024.

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated May 23, 2024 in relation to the Issue and other related matters.
3. Shareholders' resolution dated May 25, 2024 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor and Market Maker to act in their respective capacities.
5. Peer Review Auditors Report dated May 25, 2024, on Restated Financial Statements of our Company for the period ended December 31, 2023, and the years ended March 31, 2023, 2022 and 2021.
6. The Report dated May 25, 2024, from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
7. The Report dated June 15, 2024, by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
8. Copy of approval from NSE Emerge vide letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
9. Due diligence certificate submitted to SEBI dated June 15, 2024, from Book Running Lead Manager to the Issue.
10. Certificate issued by M/s Goyal Parul & co., Chartered Accountants, for Key Performance Indicators dated May 25, 2024.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



SECTION XI - DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Draft Red Herring Prospectus is contrary to the provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

| Signed by the Directors of our Company | | | | |
|--|--------------------------|---------------|--|-----------|
| S.N. | Name | Category | Designation | Signature |
| 1. | Pranav Kumar Sonthalia | Executive | Managing Director | Sd/- |
| 2. | Shradha Kumari | Executive | Director | Sd/- |
| 3. | Minal Sonthalia | Non-Executive | Director | Sd/- |
| 4. | Nimisha Bhadrakumar Shah | Non-Executive | Independent Director | Sd/- |
| 5. | K G Raghuraman | Non-Executive | Independent Director | Sd/- |
| Signed by the Chief Financial Officer and Company Secretary of our Company | | | | |
| 6. | Sujay Kundu | Full-time | Chief Financial Officer | Sd/- |
| 7. | Ayon Biswas | Full-time | Company Secretary and Compliance officer | Sd/- |
| 8. | Avinash Saigal | Full-time | Chief Executive Officer | Sd/- |

Place: Kolkata, West Bengal

Date: June 15, 2024