

**DRAFT RED HERRING PROSPECTUS****Dated:** June 29, 2024

(Please read section 26 and 32 of the Companies Act, 2013)

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

100% Book Built Issue

(Please scan this QR code to view the DRHP)

**Tirshil**

ALGOCOMM TECHNOLOGIES LTD.

**TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED****Corporate Identification Number:** U74999MH2017PLC303433

REGISTERED OFFICE	TELEPHONE, EMAIL AND FACSIMILE	CONTACT PERSON	WEBSITE
F69, X <sup>th</sup> Central Shopping Centre, Mahavir Nagar, Kandivali West, Mumbai - 400 067, Maharashtra, India	<b>Telephone:</b> +91 224 005 6792; <b>E-mail:</b> info@tepltrade.com <b>Facsimile:</b> N.A.	Sagar Pankaj Shah, Company Secretary and Compliance Officer	www.tepltrade.com

**PROMOTERS OF OUR COMPANY: RUPESH PRAVINCHANDRA DALAL AND PRAVINCHANDRA NAGINDAS VAIDYA****DETAILS OF THE ISSUE**

TYPE	FRESH ISSUE SIZE	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Upto 10,21,200 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs	Nil	Upto 10,21,200 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs	This issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THIS IS A FRESH ISSUE OF EQUITY SHARES****RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under “Basis for Issue Price” on page 98 should not be considered 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 nor 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 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 of the section titled “Risk Factors” beginning on Page No. 25 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 this 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 makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

**LISTING**

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

**BOOK RUNNING LEAD MANAGER**

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
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 <b>Fastrack Finsec</b> Category-I Merchant Banker  <b>Fast Track Finsec Private Limited</b>	Ms. Pallavi/ Mr.Vikas Verma	<b>Email ID:</b> mb@ftfinsec.com, vikasverma@ftfinsec.com <b>Telephone:</b> +91-011-4302980
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REGISTRAR TO THE ISSUE		
NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
  <b>KFin Technologies Limited</b> (formerly known as KFin Technologies Private Limited)	M. Murali Krishna	<b>E-mail:</b> tirshilalgocomm.ipo@kfintech.com <b>Telephone Number:</b> +91 40 6716 2222 <b>Toll Free No.:</b> 1800 309 4001

BID/ ISSUE PERIOD		
<b>ANCHOR PORTION ISSUE OPENS/CLOSES ON:</b> [●]*	<b>BID/ISSUE OPENS ON:</b> [●]	<b>BID/ISSUE CLOSES ON:</b> [●]**

*\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*

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

*^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.*



## TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED

Tirshil Algomcomm Technologies Limited (the “**Issuer**” or the “**Company**”) was incorporated on December 28, 2017 as “*Tirshil Enterprises Private Limited*”, as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by the Board of Directors of our Company in their meeting held on November 21, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 12, 2023, the name of our Company was changed to “*Tirshil Algomcomm Technologies Private Limited*” and a fresh certificate of incorporation dated December 29, 2023 was issued by the Registrar of Companies, Maharashtra at Mumbai. Further, pursuant to a resolution passed by the Board of Directors of our Company in their meeting held on November 21, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 12, 2023, our Company was converted into a public limited company and consequently the name of our Company was changed to “*Tirshil Algomcomm Technologies Limited*” and a fresh certificate of incorporation dated January 10, 2024 was issued by the Registrar of Companies, Maharashtra at Mumbai. For details relating to change in the Registered Office of our Company, please refer to “*History and Certain Corporate Matters*” on page 148.

**Registered Office:** F69, Xth Central Shopping Centre, Mahavir Nagar, Kandivali West, Mumbai - 400 067, Maharashtra, India; **Telephone:** +91 224 005 6792; **E-mail:** info@tepltrade.com; **Facsimile:** N.A;

**Website:** www.tepltrade.com; **Contact Person:** Sagar Pankaj Shah, Company Secretary & Compliance Officer; **Corporate Identity Number:** U74999MH2017PLC303433

## PROMOTERS OF OUR COMPANY: RUPESH PRAVINCHANDRA DALAL AND PRAVINCHANDRA NAGINDAS VAIDYA

## DETAILS OF THE ISSUE

**INITIAL PUBLIC OFFER OF UPTO 10,21,200 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF OUR COMPANY AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LACS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LACS IS HERINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND MARATHI EDITIONS OF [●] (A MARATHI LANGUAGE NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”).**

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

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(1) of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50% 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 may, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“**Anchor Investor Portion**”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.00% 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% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue 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 are required to participate in the Issue by mandatorily utilizing 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 Issue through the ASBA process. For details, see “*Issue Procedure*” on page 266 of this Draft Red Herring Prospectus.

*All potential investors shall participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 266 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.*

## ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled “*Issue Procedure*” beginning on Page No. 266 of this Draft Red Herring Prospectus.

## RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the Issuer, there has been no formal market for the securities of the Issuer. The face value of the equity shares is Rs. 10/- The issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the Issuer nor 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 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 of the section titled “*Risk Factors*” beginning on Page No. 25 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 makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

## LISTING

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

## BOOK RUNNING LEAD MANAGER

**Fast Track Finsec Private Limited**  
Office No. V-116, First Floor, New Delhi House,  
27, Barakhamba Road, New Delhi-110 001,  
Delhi, India.  
**Telephone:** +91 011 430 2980  
**Facsimile:** N.A.  
**E-mail:** mb@ftfinsec.com, vikasverma@ftfinsec.com  
**Contact Person:** Ms. Pallavi/ Mr. Vikas Verma  
**Website:** www.ftfinsec.com  
**Investor grievance:** investor@ftfinsec.com  
**SEBI Registration No.:** INM000012500

## REGISTRAR TO THE ISSUE

**KFin Technologies Limited**  
(formerly known as *KFin Technologies Private Limited*)  
Selenium Tower B, Plot No.31-32,  
Gachibowli, Financial District, Nanakramguda,  
Serilingampally, Hyderabad-500 032,  
Telangana, India.  
**Telephone:** +91 406 716 2222  
**Toll Free No.:** 18003094001  
**Facsimile:** +91 406 716 1563  
**E-mail:** tirshilalgocomm ipo@kfintech.com  
**Contact Person:** M.Murali Krishna  
**Website:** www.kfintech.com  
**Investor grievance:** einward.ris@kfintech.com  
**SEBI Registration No.:** INR000000221  
**CIN:** L72400TG2017PLC117649

## ISSUE PROGRAMME

**ANCHOR PORTION ISSUE OPENS/CLOSES ON:** [●] **BID/ISSUE OPENS ON:** [●] **BID/ISSUE CLOSES ON\*\*:** [●]

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

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***PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF  
CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018)***



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## **SECTION I – GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

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

### **GENERAL AND COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
“Company”, “our Company”, “the Company”, “the Issuer”, or “TEPL” or “Tirshil”	Tirshil Algocomm Technologies Limited, a company incorporated under the Companies Act, 2013, having its registered office at F69, X <sup>th</sup> Central Shopping Centre, Mahavir Nagar, Kandivali West, Mumbai - 400 067, Maharashtra, India.
Our Promoters	Rupesh Pravinchandra Dalal and Pravinchandra Nagindas Vaidya are the promoters of our Company
Promoter Group	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 “ <i>Our Promoters and Promoter’s Group</i> ”.

### **COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 153 of this Draft Red Herring Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, <b>N B T and Co</b> , Chartered Accountants.
Bankers to the Company	Banker to our Company, namely Yes Bank Limited
Board of Directors /Board/BOD	The Board of Directors of the Company unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U74999MH2017PLC303433
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being <b>Vishal Pravinchandra Dalal</b>
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being <b>Sagar Pankaj Shah</b>
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Equity Shares	Equity Shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
Executive Director/ ED	Executive Directors of our Company, which includes our Managing Director
Group Companies	Companies with which there have been related party transactions, during the last three financial years and the period ended January 31, 2024, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the materiality policy adopted by the Board of Directors in their meeting held on April 15, 2024.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Ashokkumar Sankatha Prasad Shukla and Deepak Kumar Balmiki Prasad Singh are the Independent Directors of our Company
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0T3A01011
Key Managerial Personnel /Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “ <i>Our Management</i> ” on page 153 of this Draft Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on April 15, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
Managing Director / MD	The Managing Director of our Company, namely Rupesh Pravinchandra Dalal
MOA/ Memorandum	Memorandum of Association of our Company as amended from time to time

Term	Description
/ Memorandum of Association	
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted on February 27, 2024 in accordance with Companies Act, 2013. For details refer section titled “Our Management” on page 153 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director. Nikita Rupesh Dalal is the Non-Executive Directors of our Company
NRI / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management Act, 1999
Registered Office	The registered office of our Company, which is situated at F69, X <sup>th</sup> Central Shopping Centre, Mahavir Nagar, Kandivali West, Mumbai - 400 067, Maharashtra, India.
Restated Financial Information/ Restated Financial Statements/	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at January 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, the related Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the period ended January 31, 2024 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Maharashtra at Mumbai, having its office at Registrar of Companies, 100, Everest, Marine Drive, Mumbai – 400 002, Maharashtra, India.
Senior Management	Senior management of our Company determined in accordance with Regulation 2(1)(bbbbb) of the SEBI ICDR Regulations. For details, see “Our Management” on page 153 of this Draft Red Herring Prospectus.
Shareholders	Shareholders of our Company, from time to time.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “Our Management” on page 153 of this Draft Red Herring Prospectus.

## **ISSUE RELATED TERMS**

Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of Red Herring Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Issue pursuant to successful Bidders.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued
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 Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	Rs. [●]/- per equity share i.e. the price at which Equity Shares were made available for allocation to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which was decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/ Issue Period	[●], being one working day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors was submitted and allocation to the Anchor Investors was completed.
Anchor Investor Issue Price	Rs. [●]/- per equity share being the final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Portion	Up to 60% of the QIB Portion consisting of [●] Equity Shares of face value of ₹ 10/- each which were allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bid	A Bid made by ASBA Bidder
Bankers to the Issue	Banker to the Issue, Public Issue Bank, Refund Bank and Sponsor Bank, being [●]
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “Basis of allotment” under chapter titled “Issue Procedure” starting from

Terms	Description
	page no. 287 of this Draft Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA 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 and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Bid Lot	[●] Equity Shares of face value of ₹ 10/- each and in multiples of [●] Equity Shares of face value of ₹ 10/- each thereafter
Bid/ Issue Period	<p>The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days.</p>
Bid/Issue Closing Date	<p>Except in relation to Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>
Bid/Issue Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located).
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Fast Track Finsec Private Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Cut-Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off 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 bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.

Terms	Description
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Intermediaries/Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum 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 Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	<b>Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”)</b>
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated June 29, 2024, filed with NSE Emerge in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or RevisionForm.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, Notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 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.
GIR Number	General Index Registry Number
Issue	This issue of Upto 10,21,200 Equity Shares of face value of ₹10 per Equity Share for an Issue Price of ₹ [●] per Equity Share, aggregating up to ₹ [●] Lakhs.
Issue Agreement	Agreement dated June 18, 2024 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Closing	Our Issue shall close on [●].
Issue document	Includes this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Issue Opening	Our Issue shall open on [●].

Terms	Description
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share).
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “Objects of the Issue” page 81 of this Draft Red Herring Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE.
Market Maker	The Market Maker to the Issue, in this case being [●].
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the Net QIB Portion, (other than anchor allocation), which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue excluding the Market Maker Reservation Portion of [●] Equity Shares of face value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Net Issue consisting of [●] Equity Shares of face value of ₹ 10/- each which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price or through such other method of allocation as may be introduced under applicable law
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Person/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 validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located), at least two working days prior to the Bid / Issue Opening Date.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Public Issue Account	Account to be opened with the Banker to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Bank	The bank with whom the Public Issue Account shall be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being [●]
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than [●]% of the Net Issue, consisting of [●] Equity Shares of face value of ₹ 10/- each which were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis, (in which allocation to Anchor Investor were made available on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
Red Herring Prospectus/ RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Refund Account	The ‘no-lien’ and ‘non-interest bearing’ account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either NSE or National Stock Exchange of India Limited having

Terms	Description
	right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="https://www.nseindia.com/">https://www.nseindia.com/</a>
Registrar / Registrar to the Issue/ RTA	Registrar to the Issue being KFin Technologies Limited (formerly known as KFin Technologies Private Limited).
Registrar Agreement	The registrar agreement dated June 18, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors/(RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000.
Retail Portions	Portion of the Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares of face value of ₹ 10/- each which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35</a>
SME Platform of NSE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Sub Syndicate Member	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue
Syndicate Member(s)	Syndicate members as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations, namely [●].
Transaction Registration Slip/TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	[●]
Underwriting Agreement	The Agreement dated [●] entered into between the Underwriter and our Company
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter and Fraudulent Borrower	A wilful defaulter(s) and fraudulent borrower(s) as defined under SEBI ICDR Regulations.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on NSE, working day means all trading days of NSE, excluding Sundays and bank holidays, as per circulars issued by SEBI



**CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
“Consolidated FDI Policy” or “FDI Policy”	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020
“Financial Year” or “Fiscal Year” or “FY”	Period of 12 months ending March 31 of that particular year
“OCBs” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compounded Annual Growth Rate
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
CS	Company Secretary
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIR	First information report
FPIs	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations, 2000
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)

Term	Description
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
Mn / mn	Million
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NR	Non-resident or person(s) resident outside India, as defined under the FE
NRE	Non- residential external
NRE Account	Non- residential external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- resident ordinary
NRO Account	Non-resident ordinary account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R&D	Research and Development
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SAT	Securities Appellate Tribunal
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000

Term	Description
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a state in India
State Government	The Government of a State of India
Stock Exchange	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
TDS	Tax Deducted at Source
Trademarks Act	Trademarks Act, 1999, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

## **INDUSTRY RELATED TERMS**

Term	Description
ATMA	Agricultural Technology Management Agency Scheme
AEZ	Agro Economic Zones
AMI	Agricultural Marketing Infrastructure
APEDA	Agricultural and Processed Food Products Export Development Authority
APMC	Agricultural Produce Market Committee
BGREI	Bringing Green Revolution to Eastern India
CAGR	Compound Annual Growth Rate
CENTEGRO	The Center for Environment and Agriculture
CCFI	Crop Care Federation of India
COVID-19	CoronaVirus Disease of 2019
CPI	Consumer Price Index
CSS	Centrally Sponsored Scheme
DGCI&S	Directorate General of Commercial Intelligence and Statistics
DPI	Digital Public Infrastructure
e-NAM	National Agriculture Market Scheme
EU	European Union
FDI	Foreign Direct Investment
FPF	Food Processing Fund
FY	Financial Year
GCMMF	Gujarat Cooperative Milk Marketing Federation Ltd.
GDP	Gross Domestic Product
GIS	Geographic Information System
GVA	Gross Value Added
HFI	High-Frequency Indicators
IDU	India Development Update
ILO	The International Labour Organization
IT	Information Technology
IMF	International Monetary Fund
ISAM	Integrated Scheme for Agricultural Marketing
LMT	Lakh Metric Ton
MOFPI	Ministry of Food Processing
MoU	Memorandum of Understanding
MSP	Minimum Support Price
MT	Metric Ton
MT	Million Tonnes
NABARD	National Bank for Agriculture and Rural Development
NBB	National Bee Board
NDCC	National Cooperative Development Corporation

<b>Term</b>	<b>Description</b>
ODOP	One District One Product
PLISFPI	Production Linked Incentive Scheme for Food Processing Industry
PM-AASHA	Pradhan Mantri Annadata Aay SanraksHan Abhiyan
PMFBY	Pradhan Mantri Fasal Bima Yojana
PMFME	PM Formalisation of Micro Food Processing Enterprises Scheme
PSS	Previous Price Support Scheme
RFID	Radio-Frequency Identification
RTE	Ready-to-eat
eNAM	National Agriculture Market
NCDC	National Cooperative Development Cooperation
NeGP-A	National e- Governance Plan in Agriculture
NMSA	National Mission on Sustainable Agriculture
PDPS	Price Deficiency Payment System
PPSS	Private Procurement and Stokiest Scheme
PMKSY	Pradhan Mantri Krishi Sinchai Yojana
SHM	Soil Health Management
UK	United Kingdom
US	United States
USD/ US\$	US Dollar
UT	Union Territory
WPI	Wholesale Price Index

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 296, 103, 106, 141, 174, 237 and 266, respectively of this Draft Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

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

### **Certain Conventions**

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

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

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

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on Page No. 174 of this Draft Red Herring Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at January 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, the related Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the period ended January 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

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

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on Page Nos. 25, 125 and 222 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

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 figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on Page Nos. 25, 106 and 125 respectively, this Draft Red Herring Prospectus.

### **Currency and Units of Presentation**

All references to:

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

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

### **Exchange rates**

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

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

Currency	Exchange rate as on (in ₹)			
	January 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.08	82.22	75.91	73.53

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbi.org.in](http://www.fbi.org.in) )

### **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” on Page No. 98 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on Page No. 25 of this Draft Red Herring Prospectus.

## **FORWARD - LOOKING STATEMENTS**

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

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

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

- Substantial portion of our revenues has been dependent upon few customers. The loss of any one or more of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition. Further, we generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.
- Our business is subject to seasonal and price volatility of commodities in the physical market as well as commodity exchanges, which may contribute to fluctuations in our results of operations and financial condition.
- We are involved in high volume - low margin business. Any disruption in our turnover or failure to regularly grow the same may have a material adverse effect on our business, results of operations and financial condition.
- We have a limited experience of running our technology platform, as a result of which we may not be able to compete successfully, and it may be difficult to evaluate our business and future operating results on the basis of our past performance.
- A significant portion of services forming part of our cash and carry model are executed by third parties, with which we do not have any formal arrangements.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Page Nos. 25, 125 and 222, respectively, of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

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

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



## **SECTION II - ISSUE DOCUMENT SUMMARY**

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoters and Promoter Group*”, “*Financial Information*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on Page Nos. 25, 106, 237, 167, 174, 81, 125, 266 and 296, respectively of this Draft Red Herring Prospectus.

### **1. Summary of Industry in which the Company is operating**

In India, agriculture is the primary source of livelihood for ~55% of the population. At current prices, agriculture and allied sectors account for 18.3% of India's GDP (2022-23). As First Advance Estimates of the country's Agriculture and allied activities recorded a growth rate of 3.5-4% in 2021-22. As per the Second Advance Estimates of National Income, the share of GVA of agriculture and allied sectors in the total economy in 2022-23 was 18.3%, with a growth rate of 3.3%. For the year 2022-23, an export target of US\$ 23.56 billion has been fixed for the agricultural and processed food products basket and an export of US\$ 17.435 billion has already been achieved in eight months of the current fiscal.

For further details, please refer to the chapter titled “*Industry Overview*” beginning on Page No. 106 of this Draft Red Herring Prospectus.

### **2. Summary of Business**

We are engaged in the business of providing integrated cash and carry service across the commodity procurement value chain. We deal in the commodities market, primarily in agricultural commodities, wherein we offer contract execution services in the physical as well as exchange markets to business owners, farmer producer organization, stockists, farmers, traders, etc. In addition to providing consultancy services to our customers, we also undertake trading of commodities in the domestic and international markets. In order to increase the efficiency of our operations, in the year 2023, we have created a digitally native, technology led platform, delivering an interactive procurement, selling and execution services, across our various offerings.

For further details, please refer to chapter titled “*Our Business*” beginning on Page No. 125 of this Draft Red Herring Prospectus.

### **3. Promoters**

The Promoters of our Company are Rupesh Pravinchandra Dalal and Pravinchandra Nagindas Vaidya. For further details, please refer to the chapter titled “*Our Promoters and Promoter Group*” beginning on Page No. 167 of this Draft Red Herring Prospectus.

### **4. Details of the Issue**

Our Company is proposing the public issue of upto 10,21,200 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating up to ₹ [●] lakhs, of which [●] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs will be reserved for subscription by Market Maker to the Issue (the “**Market Maker Reservation Portion**”). The Issue less the Market Maker Reservation Portion i.e. Net issue of [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs is herein after referred to as the “**Net Issue**”. The Issue and the Net Issue will constitute [●] % and [●]%, respectively, of the post issue paid up Equity Share capital of our Company. The face value of the Equity Shares is ₹ 10/- each.

The price band will be decided by our company in consultation with the book running lead manager (“**BRLM**”) and will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the Floor Price and the Cap Price and shall be made available to the Emerge platform of National Stock Exchange of India Limited (“**NSE Emerge**”, referred to as the “**Stock Exchange**”) for the purpose of uploading on their website for further details kindly refer to chapter titled “*Terms of the issue*” beginning on page 255 of this Draft Red Herring Prospectus.

### **5. Objects of the Issue**

The details of the proceeds of the Issue are set out in the following table:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses	[●]
<b>Net Proceeds of the Issue</b>	[●]

## 6. Utilization of Net Issue Proceeds

The details of utilization of Net Proceeds of the Issue have been provided below:

(₹ in lacs)

Sr. No.	Particulars	Estimated amount
1.	Investment in our technology infrastructure and human resources towards development of the commodity platform of our Company	Upto 339.52
2.	Funding expenditure proposed to be incurred towards setting up of branch offices and customer care centers	Upto 117.24
3.	Payment of security deposit to warehousing agents for booking warehouse spaces for executing contracts received on the commodity platform	Upto 40.00
4.	Prepayment or repayment of all or a portion of certain loans availed by our Company	Upto 120.00
5.	General corporate purposes <sup>(1)(2)</sup>	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

<sup>(2)</sup>The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please see chapter titled “Objects of the Issue” beginning on Page No. 81 of this Draft Red Herring Prospectus.

## 7. Aggregate Pre Issue Shareholding of Promoters and Promoter Group

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

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital
<b>Promoters</b>					
1.	Rupesh Pravinchadra Dalal	16,59,200	58.12	16,59,200	[●]
2.	Pravinchandra Nagindas Vaidya	1,08,800	3.81	1,08,800	[●]
<b>Total – A</b>		<b>17,68,000</b>	<b>61.93</b>	<b>17,68,000</b>	[●]
<b>Promoter Group</b>					
3.	Tejas Pravinchandra Dalal	54,400	1.91	54,400	[●]
4.	Vishal Pravinchandra Dalal	40,800	1.43	40,800	[●]
5.	Harshil Rupesh Dalal	54,400	1.91	54,400	[●]
6.	Harsha Pravin Vaidya	27,200	0.95	27,200	[●]
<b>Total – B</b>		<b>1,76,800</b>	<b>6.19</b>	<b>1,76,800</b>	[●]
<b>Total – A+B</b>		<b>19,44,800</b>	<b>68.12</b>	<b>19,44,800</b>	[●]

For further details, please refer to the chapter titled “Capital Structure” beginning on Page No. 71 of this Draft Red Herring Prospectus.

## 8. Summary of Financial Information

Following are the details as per the Restated Financial Information as at and for the period ended January 31, 2024 and as at and for the Financial Years ended on March 31, 2023, March 31, 2022 and March 31, 2021:

(₹ in lacs, except share data)

S. No.	Particulars	January 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	1.00	1.00	1.00	1.00
2.	Net Worth	279.20	96.38	62.51	54.25
3.	Revenue from operations	1,657.99	6,680.41	1,001.27	312.60
4.	Profit after Tax	182.81	33.88	8.25	(3.01)
5.	Earnings per Share	6.72	1.25	0.30	(0.11)
6.	Net Asset Value per equity share*	10.26	3.54	2.30	1.99
7.	Total borrowings	142.40	378.17	98.51	23.85

Note: Bonus shares adjustment has considered for calculation of Earnings per Share and Net Asset Value per equity share.

For further details, please refer to the section titled “Financial Information” beginning on Page No. 174 of this Draft Red Herring Prospectus.

## 9. Auditor qualifications which have not been given effect to in the Restated Financial Information

The Restated Financial Information do not contain any qualifications by the Statutory Auditors.

## 10. Summary of Outstanding Litigation

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

### a) Litigations involving our Company

#### i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	6	3.32
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

#### ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

### b) Litigations involving our Directors

#### i) Cases filed against our Directors:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	2	0.01
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

#### ii) Cases filed by our Directors:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

### c) Litigations involving our Promoters

#### i) Cases filed against our Promoters:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	2	0.01
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

#### ii) Cases filed by our Promoters:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Material civil litigations	Nil	Nil

**d) Litigations involving our Group Company:**

*i) Cases filed against our Group Company:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

*ii) Cases filed by our Group Company:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page No. 237 of this Draft Red Herring Prospectus.

**11. Risk Factors**

Please refer to the section titled “*Risk Factors*” beginning on Page No. 25 of this Draft Red Herring Prospectus.

**12. Summary of Contingent Liabilities**

As per the Restated Financial Information as at and for the period ended January 31, 2024 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021, following are the details of the contingent liabilities of our Company:

Particulars	For the year ended			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
TDS Demand	3.32	3.32	1.08	0.46

For further details, kindly refer “*Restated Financial Information – Note 29 – Contingent Liabilities and Commitments*” from the chapter titled “*Restated Financial Information*” on Page No. 174 of this Draft Red Herring Prospectus.

**13. Summary of Related Party Transactions**

As per the Restated Financial Information as at and for the period ended January 31, 2024 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021, following are the details of the related party transactions of our Company:

Sr. No.	Nature of Transaction	As at			
		31 January 2024	31 March 2023	31 March 2022	31 March 2021
1	<b>Remuneration</b>				
	Rupesh Dalal	40.00	16.20	16.02	14.40
	Pravinchandra Vaidya	7.26	7.92	7.92	7.20
2	<b>Loans Repaid</b>				
	Rupesh Dalal	102.42	45.00	25.10	
	Irecord Infotech Solution Pvt ltd	1.07	2.04	46.93	37.64
3	<b>Loans Taken From</b>				
	Rupesh Dalal	47.02	38.40	73.00	
	Irecord Infotech Solution Pvt ltd	0.53	1.93	17.07	55.21
4	<b>Expense Payable</b>				
	Pravinchandra Vaidya	-	0.66	0.66	0.60
	Maulik Vaidya	-	0.73	0.56	0.52
	Rupesh Dalal	-	1.17	1.19	1.08

Sr. No.	Nature of Transaction	As at			
		31 January 2024	31 March 2023	31 March 2022	31 March 2021
	Nikita Dalal	-	0.07	1.48	1.38
5	<b>Salary Paid</b>				
	Maulik Vaidya	7.80	8.47	7.96	6.94
	Vishal Dalal	9.00			
6	<b>Consultancy Fess paid</b>				
	Nikita Dalal	17.20	19.80	18.00	18.00
	Trusha Dalal	6.00			
<b>3. Balances Outstanding at the end of the Year</b>					
1	Rupesh Dalal	-	55.39	48.79	
2	Irecord Infotech Solution Pvt ltd	-14.66	-14.12	-14.24	15.61
3	Pravinchandra Vaidya	0.25	0.25	0.25	0.25

For further details, kindly refer “*Restated Financial Information –Note 26 – Statement of Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 174 of this Draft Red Herring Prospectus.

#### 14. Financials Arrangements

There are no financing arrangements whereby the Promoters, members of the Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

#### 15. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus

The details of the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of Promoter	No. of shares acquired in last one year from the date of this Draft Red Herring Prospectus	Weighted Average Price (in ₹)
Rupesh Pravinchandra Dalal	16,53,100	Nil*
Pravinchandra Nagindas Vaidya	1,08,400	Nil*

\*Allotment pursuant to Bonus

Note: For arriving at the weighted average price at which the equity shares of the Company were acquired by the Promoters, only acquisition of equity shares has been considered while arriving at weighted average price per Equity Share for last one year.

\*As certified by the Statutory Auditor by way of its certificate dated June 29, 2024.

#### 16. Average Cost of Acquisition of Equity Shares for Promoters

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

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Rupesh Pravinchandra Dalal	16,59,200	0.04*
Pravinchandra Nagindas Vaidya	1,08,800	0.04*

\*As certified by the Statutory Auditor by way of its certificate dated June 29, 2024.

#### 17. Pre-IPO Placement

Our Company has not undertaken a pre-IPO placement.

#### 18. Issue of equity shares made in last one year for consideration other than cash

Except as stated below, our Company has not issued shares for consideration other than cash during last one year:

Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
February 2, 2024	27,10,000	10	N.A.	Bonus Issue in the ratio of two hundred seventy one (271) new equity shares for every one (1)	N.A.	Reserves & surplus

Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
				Equity Shares held on February 2, 2024		

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

There has not been a split or consolidation of Equity Shares in the last one year.

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

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

### **SECTION III – RISK FACTORS**

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

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 106, 125 and 222 of this Draft Red Herring Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 18 of this Draft Red Herring Prospectus.*

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

*Materiality:*

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

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

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

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

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Tirshil Algocomm Technologies Limited.*

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



## INTERNAL RISK FACTORS

### BUSINESS RELATED RISKS

1. *Substantial portion of our revenues has been dependent upon few customers. The loss of any one or more of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition. Further, we generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.*

The substantial portion of our revenues has been dependent upon few customers. For instance, our top ten customers accounted for 96% and 93 % (aprox.) of our revenue from operations for the F.Y. ended March 31, 2023 and the period ended January 31, 2024. A break up of the revenue earned by our Company from the top ten customers during the period ended January 31, 2024 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021:

#### *Ten month period ended January 31, 2024*

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Frisk Projects Pvt. Ltd	445.00	27
Equentia Trade Solutions Private Limited	312.64	19
D J Industries	163.22	10
Trinity Enterprises	131.99	8
Yenher Agro-Products SDN	118.54	7
Solanki Agro	112.36	7
Aarav Tradelink	93.18	6
M/S Deepa Enterprises	61.43	4
H N Comtrade	55.56	3
Parmeshwari Agrotech	52.20	3
<b>Total</b>	<b>1546.12</b>	<b>94*</b>

*\*Percentage from Revenue from Operations*

#### *Fiscal 2023*

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Smartpaddle Technology Private Limited	3892.28	58
Smartpaddle Technology Pte Ltd- Singapore	590.19	9
Riddhi Siddhi Cotex Private Limited	563.04	8
Siddhi Fibers	406.50	6
Harichandana Cottons Pvt Ltd	254.61	4
Frisk Projects Pvt. Ltd.	181.50	3
R.S Fibers	179.82	3
Yenher Agro-Products Sdn	129.60	2
Natural Food Products	103.81	2
Manjeet Cotton Pvt Ltd	90.00	1
<b>Total</b>	<b>6391.35</b>	<b>96*</b>

*\*Percentage from Revenue from Operations*

#### *Fiscal 2022*

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Smartpaddle Technology Private Limited	412.55	41
Manjeet Cotton Pvt Ltd	160.00	16
Findoc Investmart Private Limited	81.43	8
Vikas Trading Company	80.55	8
Frisk Projects Pvt Ltd	80.00	8
Neelkanth Corporation	54.19	5
Harichandana Cottons Pvt Ltd	49.98	5
Green Agrevolution Private Limited	25.15	3

Rg Atul Comtrade Limited	19.64	2
SHREE COMMODITIES	17.04	2
<b>Total</b>	<b>980.54</b>	<b>98*</b>

*\*Percentage from Revenue from Operations*

### **Fiscal 2021**

<b>Name of the customer</b>	<b>Revenue earned (₹ in lakhs)</b>	<b>% of total revenue</b>
Frisk Projects Pvt Ltd	210.00	67.20
Prakash Agro Mills	41.41	13.20
Inditrade Business Consultants Limited	40.72	13.00
Kushal Industries Ltd	19.22	6.10
S.K. Cotton company	1.26	0.40
<b>Total</b>	<b>312.61</b>	<b>100.00*</b>

*\*Percentage from Revenue from Operations*

We have not entered into long term agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with them. The loss of one or more of these significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Further, we charge a commission on the profit earned by our customers in the physical as well as commodities market, and therefore, on account of lack of format arrangements we cannot assure you that our customers would stress for re-negotiating the terms of our arrangement. Since, we have not entered into any formal arrangements with our customers, we cannot initiate legal actions against them, in the event of breach of arrangement or understanding which was mutually decided. Occurrence of any such events could adversely affect our business, cash flows, results of operations and financial condition.

Further, our revenue is dependent upon our customers earning profit through the trades, on which we assist them for contract execution. In the event our customers earn less profit or no profit at all, we may not receive revenue at par with the services provided by us to our customers. Occurrence of any such events could adversely affect our business, cash flows, results of operations and financial condition. In addition, we are exposed to payment delays and/or defaults by our major customers and our financial position and financial performance are dependent on the creditworthiness of our customers. There is no guarantee that all or any of our customers will honor their outstanding amounts in time and whether they will be able to fulfil their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur from all or any of our major customer, our financial performance and our operating cash flows may be adversely affected.

## **2. Our business is subject to seasonal and price volatility of commodities in the physical market as well as commodity exchanges, which may contribute to fluctuations in our results of operations and financial condition.**

We deal in the commodities market, primarily in agricultural commodities, wherein we offer contract execution services in the physical as well as exchange markets to business owners, farmer producer organization, stockists, farmers, traders, etc. As part of our service offerings we provide services relating to crop procurement and price management solutions, quality inspection, warehousing and contract execution in the physical and virtual commodities market. As part of our arrangements with our customers, we receive a commission at a pre-determined rate from our customers on the profit earned by them during their trades of commodities. Accordingly, our business is sensitive to weather conditions, including extremes such as drought and natural disasters. There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. Adverse weather conditions may also cause volatility in the prices of commodities, which may affect the percentage of profit earned by our customers and reduce our revenue share from them. Consequently, the occurrence of any such unfavourable weather patterns may adversely affect our business, results of operations and financial condition.

Our business, financial condition and results of operations is also highly dependent upon the levels of activity on the commodity exchanges, and in particular upon the volume, turnover and number of commodities traded, volatility and similar factors. The prices of commodities could be impacted by factors, which are beyond our control, that may materially adversely affect our business, financial condition and results of operations, include:

- volatility in agricultural produce or prices, and trends in Indian agricultural production and demand and supply scenario;

- changes in domestic and global government policies, including on trade, procurement, storage, support prices for agricultural commodities and subsidies; broad trends in business and finance, including industry specific circumstances, trends in capital and commodities markets; inflation;
- adverse environmental conditions;
- changes in tax policy (including imposition of commodity transaction tax) and tax treaties between India and other countries;
- levy of any additional charge on the Exchange pursuant to changes in regulations; the level and volatility of interest rates; legislative and regulatory changes; and
- unforeseen market closures or other disruptions in trading.

If the prices of commodities on the commodities exchanges are materially adversely affected by any of the factors described above or any other factors beyond its control, our business, financial condition and results of operations could also be materially adversely affected.

**3. *We are involved in high volume - low margin business. Any disruption in our turnover or failure to regularly grow the same may have a material adverse effect on our business, results of operations and financial condition.***

Ours is a high-volume low margin business. Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. We deal in the commodities market, primarily in agricultural commodities, wherein we offer contract execution services in the physical as well as exchange markets to business owners, farmer producer organization, stockists, farmers, traders, etc. As part of our arrangements with our customers, we receive a commission at a pre-determined rate from our customers on the profit earned by them during their trades of commodities. Due to the nature of our services, we may not be able to charge higher margins on our services. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our key processes. For the period ended January 31, 2024 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, our revenue from operations were and ₹ 1,657.99 lakhs, ₹ 6,680.41 lakhs, and ₹ 1,001.27 lakhs, ₹ 312.60 lakhs, respectively. As part of our growth strategy, we aim to improve our functional efficiency and expand our business operations by developing a technology platform for digitalising and centralising our services. Our growth strategy is subject to and involves risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans or complete them within the timelines. Further, we operate in a dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. For further details regarding the discussions and explanations for our past results, please see “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page 222 of this Draft Red Herring Prospectus.

**4. *We have a limited experience of running our technology platform, as a result of which we may not be able to compete successfully, and it may be difficult to evaluate our business and future operating results on the basis of our past performance.***

Our Company has limited experience of running our technology platform. In the year 2023, we had created a digitally native, technology led platform, delivering an interactive procurement, selling and execution services, across our various offerings. The in-house platform was developed to digitalise and centralise our operations and to increase the scale of our business. The platform is proposed to be developed in two phases. Our Company has completed the first phase, wherein the platform has been equipped to facilitate interaction between investors/ end users/ processors for negotiation and execution of contract, procurement or selling of commodities at pre-determined prices. We propose to develop phase two of our platform by utilising a portion of the Net Proceeds of the Issue. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

Prior to development of our technology platform, our Company was involved in providing cash and carry services including but not limited to, (i) crop procurement and price management solutions; (ii) quality management solutions with secured warehousing at reasonable prices to store commodities; (iii) arranging for transportation delivery solutions through smart delivery transport partners, etc. We provide the cash and carry service either by offering consultancy services to third parties or by directly trading in commodities in the jurisdictions where we operate. As of date of this Draft Red Herring Prospectus, our Company is majorly executing our operations in the physical form and therefore our Company has limited experience in running the business technology platform. Our limited track record in running operations of the technology platform, such as registration of users, onboarding of intermediaries, execution of contracts, negotiation of prices, addressing technical complaints, etc., exposes us to the risk of incurring time and cost overrun, wastage of resources, which exposes us to risks that more experienced competitors may not face. If we are not able to successfully compete in newer business segments,

our quality of services may suffer, we may not be able to diversify our portfolio, and we may not be able to lower our cost. Moreover, as a result of our relatively shorter operating history, the limited historical data that is available may not be indicative of our financial position or results of operations for any future periods.

Furthermore, our technology platform is dependent upon our ability to onboard intermediaries such as, warehousing service providers, quality testing agencies, banks and financial institutions, *etc.* Phase two of our platform is dependent upon the digitalisation of our warehousing, logistical, quality and financial operations, and if we are unable to execute arrangements with these intermediaries, the success and development of our technology platform could be highly impacted. Further, as of date of this Draft Red Herring Prospectus we engage with warehousing service providers, quality testing agencies without receiving any commission or referral fee from them for engaging them in our cash and carry services. As per our proposal we intend to charge a commission from third party intermediaries for referring them the customers who approach our platform. In the event, the intermediaries refuse to accept such terms or the negotiation of prices takes considerable time, we may not be able to complete phase two of our operations, in a timely manner. In the event of any delay in the schedule of implementation or if we are unable to complete the development of our technology platform as per the scheduled time, it could lead to revenue loss or loss of customers onboarded as part of phase one. If the technology platform is not completed at the scheduled time, our Company may face cash crunch. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays could be mitigated and that we will be able to prevent any cost over-runs and any loss of profits resulting from such delays, shortfalls and disruptions. As a result our business, financial condition, results of operations and prospects could be materially and adversely affected.

**5. *A significant portion of services forming part of our cash and carry model are executed by third parties, with which we do not have any formal arrangements.***

As part of our cash and carry model, we help our customers in procurement of crops, quality testing of crops, storing of crops in a warehouse and delivering them to pre-identified locations. Our warehousing, quality and delivery operations are undertaken by third parties intermediaries, with which we do not have any formal arrangements. Accordingly, we do not undertake the aforementioned operations and have engaged third party service providers to execute the same. Since, we do not have formal arrangements, we cannot force third party intermediaries to accept and execute the service requests of our customers. Further, the timely execution of services as part of our cash and carry model is vital to ensure that the customers can buy or sell their commodity at the ideal time to earn profit. In the event, there occurs any delay in executing the operations, the contracts of our customers could be highly affected. In cases where the counter party in commodity contracts are the commodity exchanges, our customers may have to bear penal costs, on account of delay in contract execution or they could also lose the money which was invested in the contract on account of delays. In the absence of formal contracts, we may not be able to litigate our third party service providers, or hold them liable for the loss incurred by the customer.

In the event, we experience significant increase in contract or orders, we cannot assure you that we will be able to meet such increase in demand or find suitable substitutes for our intermediaries, in a timely manner and at reasonable costs, or at all. While, we have informal arrangements with some of the leading third-party intermediaries, however we cannot assure you that our intermediaries would offer quality services to our customers. Agro-commodities are perishable in nature and the quality of the commodities at the time of the purchase or sale and execution needs to be maintained. In the event our warehousing service providers fail to provide a warehouse as per the requirement of our customers, or fails to offer fumigation and inspection services or if there occurs a rodent issue or any other safety and quality issue, our contract execution ability and the safety of our commodity could be adversely impacted. Further, in the event, the quality testing agencies provide a deficient report, the buyer or the commodity exchanges may reject the contract, which could cause a loss to our customers. Any mishap in delivering of commodity to or from the warehouses could also impact our contract execution ability. On account of lack of formal arrangements, we may not be hold our intermediaries accountable for losses suffered by our customers. Our customers may take actions against us for providing deficient services, we may not be able to charge the same from our intermediaries or obtain a refund for the amount spent towards such action. On the occurrence of any of the aforementioned events, we may need to find new intermediaries which could be time taking and costly. We cannot assure you that any other intermediaries that we engage would be able to provide services which are compliant with our quality standards, in a timely and cost effective manner or at all. While the aforementioned events have not occurred in the past, however any future occurrence of any such events could materially affected our financial condition, results of operations and prospects. Further there can be no assurance that such parties shall continuously provide their services or would not cater to demand of competitors. Any withdrawal of services from such intermediaries or supply of services to competitors at better rates may adversely affect our result of operations and future prospects. Further we are also exposed indirectly to the risks these manufacturers face. For further details, please see “*Our Business*” on page 125 of this Draft Red Herring Prospectus.

**6. We significantly rely on revenue earned from trading of commodities, and any interruption or loss of customers in this segment may adversely affect our business and results of operations.**

We are engaged in the business of providing integrated cash and carry service across the commodity procurement value chain. We also offer import and export financing assistance wherein we arrange funding for our customers to purchase goods exported from overseas, cover their expenses while they wait for their products to arrive, thereby bridging the gap between the purchase and delivery time of goods. We provide the cash and carry service either by offering consultancy services to third parties or by directly trading in commodities in the jurisdictions where we operate.

Majority of our revenue is earned from trading of commodities and therefore we are dependent upon our trading segment and the loss of any of our customers or suppliers may adversely affect our sales and consequently our business and results of operations. The following table sets out a break up of our revenue from operations from sales of traded goods and sale of services during the period ended January 31, 2024 and the Fiscals 2023, 2022 and 2021:

(₹ in lakhs)

Particulars	Ten month period ended		Fiscal					
	January 31, 2024		2023		2022		2021	
	(₹ in lakhs)	% of revenue from operations	(₹ in lakhs)	% of revenue from operations	(₹ in lakhs)	% of revenue from operations	(₹ in lakhs)	% of revenue from operations
Sales of traded goods								
Domestic	1,042.16	62.86%	5,620.28	84.13%	743.63	74.27%	101.35	32.42%
Export	118.54	7.15%	719.79	10.77%	-	-	-	-
Sale of services	491.78	29.66%	339.46	5.08%	257.64	25.73%	211.26	67.58%
<b>Total</b>	<b>1,652.48</b>	<b>99.67%</b>	<b>6,679.54</b>	<b>99.98%</b>	<b>1001.27</b>	<b>100.00%</b>	<b>312.61</b>	<b>100.00%</b>

Our future success depends in part on our ability to reduce our dependence on our trading services by diversifying our business operations by developing a technology platform for integrating and centralising their services. Any failure to successfully develop our technology platform could adversely affect our business, financial condition, cash flows and results of operations. Our business, growth prospects and financial performance largely depends on our ability to attract new clients, retain our existing clients and effectively implement our diversification and expansion strategies. We cannot assure you that we will be able to achieve the same in a timely and effective manner, on the occurrence of such an event, our business, results of operations and financial condition will be materially and adversely affected.

**7. The commercial success of our services depends to a large extent on the success of the end use customers. If there is any downturn in the industries in which the customers operate, it could have a material adverse effect on our business, financial condition and results of operations.**

We deal in the commodities market, primarily in agricultural commodities, wherein we offer contract execution services in the physical as well as exchange markets to business owners, farmer producer organization, stockists, farmers, traders, etc. The success of our business operations is dependent upon the success of the business of our customers who seek our services for executing commodity contracts either in the physical market or through the exchanges. Therefore, the commercial success of our business is highly dependent on the commercial viability and success of our customers. Any downturn in the industries in which our customers operate or the demand of the products or services of our customers and end use customers, could have a direct impact on the demand of our services and our business operations. Any disturbance in the industry in which our customers operate could adversely impact our business due to our high dependence on our customers. Alternatively, in the event our customers are able to devise an in-house contract execution unit, or if our customers are able to find a cheaper alternative for our services, it may conversely result in a reduction in the demand of our services and have a material adverse effect on our business, financial condition and results of operations.

**8. We provide our services only in the states of Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh, Maharashtra and Telangana, and accordingly any adverse changes in the conditions affecting these regions can adversely affect our business, financial condition and results of operations.**

We provide services only in the states of Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh, Maharashtra and Telangana. In the event of a regional slowdown in the economic activity in these states or any other developments including political unrest, disruption or sustained economic downturn or natural calamities in those regions affecting the ability of our merchants to continue their operations within their respective communities, or that make our services and/or products in these states less available or attractive and beneficial to the customer, we may experience an adverse effect on our financial condition and results of operations, which are largely dependent on the performance, geo-political and other prevailing

conditions affecting the economies of the state. The market for our services in Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh, Maharashtra and Telangana may perform differently from, and be subject to, market and regulatory developments that are different from the requirements in other states of India. There can be no assurance that the demand for our services will grow, or will not decrease, in the future, in these regions.

**9. *The commodities of our customers are edible items and any actual or alleged contamination or deterioration in the quality of our products could result in legal liability, damage our reputation and adversely affect our business prospects and consequently our financial performance.***

We deal in the commodities market, primarily in agricultural commodities, wherein we offer contract execution services in the physical as well as exchange markets to business owners, farmer producer organization, stockists, farmers, traders, etc. The commodities that we deal in are primarily pulses, nuts, wheat, seeds, maize, spices, etc. We may be subject to risks affecting the agro-based industry, including risks posed by the following:

- contamination/ spoilage of raw materials;
- product tampering;
- product labelling errors;
- consumer product liability claims and expense, and possible unavailability of product liability insurance; and
- the potential cost and disruption of product recalls.

Any actual or alleged contamination or deterioration of our products, even if accidental, could result in legal liability, damage to our reputation and may adversely affect our business prospects and consequently our results of operation and financial performance. The risk of contamination or deterioration in quality exists at each stage from procurement of raw materials from the farmers and third party suppliers, transportation of the raw materials to warehouses, deficiency in upkeep of warehouses and commodities, storage and delivery to buyer or exchange for contract execution. While we follow stringent quality control processes at each stage, there can be no assurance that our products will not be contaminated or suffer deterioration. Further, there can be no assurance that contamination of commodities will not occur during the transportation, procurement, storage and delivery due to reasons unknown to us or beyond our control. If the commodities of our customers are found to be spoilt, contaminated, tampered with or to be associated with any such incidents, the buyer or the commodity exchange will rescind the contract and the amount invested by our customers could be lost completely. Further, our revenue is earned through the commission charged by us on the profit earned by our customers. In the event, there is a loss incurred by our customers, we may also not be able to earn revenue from such orders in which we have invested significant amount of resources. We may also be subjected to liability claims, adverse government scrutiny, investigation or intervention, resulting in increased costs and incur criminal or civil liability. While the aforementioned events have not occurred in the past, however any future occurrence of any such events could materially affected our financial condition, results of operations and prospects.

**10. *We intend to utilise a portion of the Net Proceeds for investing in our technology infrastructure and human resources towards development of the commodity platform of our Company. We have procured a quotation from third parties for developing the website and the mobile application, however we have not engaged them for providing this service as of date of this Draft Red Herring Prospectus.***

Our Company is engaged in the commodities market, and offers a bouquet of services to customers proposing to procure or sell commodities either from the physical or the online commodities market. With an intent to digitalise the operations of our Company, in the year 2023-24, our Company created a digitally native, technology led platform to offer an interactive procurement, selling and execution services, across our various offerings to our customers. The platform was required to be developed in two phases and our Company has completed the first phase of development. As part of our first phase, our Company has developed an interactive platform on our website, which can be accessed by our sellers, buyers and stockists by easily registering by making payment of a nominal fee and, upon verification, start using the platform through separate login ids. We intend to continuously upgrade and improve our existing technology infrastructure. As part of phase two, we propose to digitalise all of our operations of our cash and carry model and develop a mobile application, wherein the features of our platform would also be available on the phones of our customers and users. Through our mobile application we intend to provide omni-channel digital offerings, with fully integrated one click actions, through mobile, web and desktop versions. Accordingly, we intend to continue to invest and utilise ₹ 339.52 lakhs from the Net Proceeds towards developing, expanding and enhancing our technological capabilities by (i) developing our website and mobile application; (ii) hiring of employees for operation and maintenance of technical infrastructure; and (iii) purchasing subscription of server for hosting the technical platform and mobile application.

We have obtained quotation from Lavessta Enterprises Private Limited for developing the website and the mobile application on a turnkey basis and have obtained quotation from Oases Technovations Private Limited for recruiting human resources for operating and maintaining our technology platform. Oases Technovations Private Limited has also issued a quote for assisting us in hiring personnel for our customer care centres and branch offices, which are to be set up for supporting the technology platform. As of date of this Draft Red Herring Prospectus, we have not engaged any of the third party agencies for developing our platform or for assisting us in hiring personnel for our platform and offices. We shall be relying on Lavessta Enterprises Private Limited and Oases Technovations Private Limited for developing our platform and therefore the quality of the platform and the personnel hired depends upon the quality of services which shall be provided by the above mentioned entities. Lavessta Enterprises Private Limited shall be developing the entire second phase of the platform for our Company on a turnkey basis and in the event there are any mishaps, termination of quotation, default or delay in service, we may have to terminate the quotation and engage a third party contractor for completing development of our platform. In the event of occurrence of the aforementioned events, our Company may have to revisit our costs, which could lead to our Company utilising the Net Proceeds towards such escalation prices or contingencies or utilising its internal accruals or seeking debt financing. Further, since we have not engaged any of these entities we cannot assure you that the aforementioned entities would provide us the services at the same cost as that of the quotations.

The Net Proceeds will be utilized towards developing our technology platform, therefore, we are yet to engage the services of Lavessta Enterprises Private Limited and Oases Technovations Private Limited or place orders for any equipment which will be required for setting up of the technology platform. The cost of developing and execution of the platform and for hiring the personnel based on the industry standard of the remuneration is based on the quotations received from Lavessta Enterprises Private Limited and Oases Technovations Private Limited and such quotations are subject to change due to various factors such as, variation in cost of equipment, change in the government regulation and policies, change in management's view of desirability of the current plans, possible cost overruns, *etc.* Further, the quotation for hiring of personnel are also subject to variation in the remuneration payable as per the industry standards. Delay in engaging third party service providers may cause time and cost overrun in the implementation of our platform and can also compel us to execute the platform at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

- 11. *We propose to use a part of the Net Proceeds of the Issue towards funding expenditure proposed to be incurred towards setting up of branch offices in Ahmedabad and Hyderabad and customer care center in Mumbai. We are yet to identify locations and enter into long-term leasehold arrangements or enter into rental agreements at locations suitable for branch offices or customer care center. In case we are unable to open the branch offices and customer care center in a timely manner as mentioned in the chapter "Objects of the Issue", we may fall short of the revenue targets of the Company and this would have an adverse effect on our business, financial condition, results of operations and growth prospects.***

In order support our technical platform, we intend to set up a customer care center, from where our teams shall (i) resolve the technical complaints registered by our customers; (ii) undertake execution of contracts and negotiation of prices between buyers and sellers; and (iii) undertake coordination with stakeholders to ensure that the contracts and orders are executed on time. Further, in order to support the proposed technology platform, we intend to set up additional two branch offices in Ahmedabad and Hyderabad, from where our marketing teams shall market our platform and attract new buyers and sellers. Accordingly, we intend to utilise a portion of the Net Proceeds towards funding costs relating to rent and security deposit for obtaining a lease for branch offices and customer care centers. The fund requirement mentioned in the chapter titled, "*Objects of the Issue*" is based on the quotation received from various real estate agencies. Further, we are highly dependent upon such real estate agencies for execution of our growth strategy.

As we expand our branch network, we will be exposed to various challenges, including those relating to identification of potential markets and suitable locations, obtaining land / buildings or leases for such offices, competition, different cultures and customer preferences, regulatory regimes, business practices, onboarding new employees and intermediaries. Our success also depends on our ability to identify and acquire key retail spaces in a timely manner at such locations with attractive commercial propositions, suitable locations and reasonable costs. As a new office location should satisfy various parameters to make an attractive commercial proposition, finalisation of location and property acquisition for our new offices is an evolving process which may not progress at the same pace as it did in the past or at the expected pace. Further, delay in setting up new offices will impact the revenue targets of the Company which may also have an adverse impact on the revenues of the Company. Further, we expect our expansion plans to place significant demands on our managerial, operational and financial resources, and our expanded operations will require further training and management of our employees. In addition, as we enter new locations, we will face competition from regional, national or international players, who may have an established local presence, and may be more familiar with local customers'



preferences, business practices and customs. Further, there could be delays in setting up the new offices as a result of, among other things, contractors' failing to perform, disputes with workers, or force majeure events, any of which could give rise to cost overruns and delays in our implementation schedule.

**12. *We rely extensively on our information technology systems and any failure, disruption or weakness in such systems, or breach of data, could adversely affect our operations and reputation. Further, our success depends on our ability to innovate, upgrade and adapt to new technological advances.***

We are extensively dependent on the information technology systems ("IT Systems") for operating our technology platform and our ability to efficiently and reliably process volume of transactions across various locations, as well as for certain critical functions including financial controls, risk management and transaction processing. Any disruption to our IT Systems or our ability to process our transactions efficiently and reliably, may adversely affect our operations, reputation and our financial position. In addition, our success will depend, in part, on our ability to respond to and keep pace with new technological advances and consumer trends and other services industry standards and practices in a cost-effective and timely basis. The development and implementation of such technology, including with respect to new operating systems, entails significant technical and business risks. There can be no assurance that we will successfully implement new technologies or adapt our transaction processing systems to customer requirements or improving market standards. Weakness, disruption, breach or failure in our IT Systems may have significant consequences on our business, financial condition and results of operations, including disabling or malfunctioning of our data processing systems; inability to or a deterioration in servicing our customers on a timely basis or at all; non-availability of certain information for our management in order to enable them to plan for or respond to contingencies and changes in market conditions in a timely manner or at all; and loss of confidential or material data in relation to our business, operations, financial products and services and employees.

**13. *Our inability to continue to implement our marketing initiatives could adversely affect our business and financial condition.***

The ability to differentiate our services from our competitors through our marketing and advertising programs is an important factor in attracting customers. In order to create our brand presence and to create awareness of our platform and service offerings, we engage in various marketing meets. Our teams stationed at our branch offices, in order to onboard additional traders and FPOs, holds marketing events and meets in various states to onboard them on our offline and online offerings. Through our marketing activities, we believe we will be able to expand our geographical presence and offer a diverse range of procurement solutions on our platform. Creating and maintaining public awareness of our services and our platform is crucial to our business and we accordingly invest in various marketing and advertising initiatives. If these initiatives are poorly executed or fail to elicit interest in potential customers, or customers lose confidence in our services for any reason, it could harm our ability to attract and retain customers. Developing, promoting and positioning our brand will depend largely on the success of our marketing initiatives, the relationships we have with our customers and our ability to provide a consistent, high quality experience for our customers. To promote our services, we have incurred, and expect to continue to incur, substantial expenses related to advertising and other marketing initiatives. Furthermore, there can be no assurance that our marketing efforts will succeed in maintaining our services and its perception with customers.

**14. *We depend on third parties for the transportation needs of our customers and for transporting goods as part of our direct trading operations. Any disruptions may adversely affect our operations, business and financial condition. Further, we do not have in-transit insurance for the products that are delivered for our customers, suppliers or buyers by the transport agent.***

We rely on third party transportation and other logistic facilities for transporting commodities of our customers from farmers or farmer produce organisations to warehouses and from warehouses to buyers or commodity exchanges. We also rely on third-party transportation agencies for transporting commodities from suppliers and buyers as part of our direct trading business. For this purpose, we hire services of transportation companies. However, we have not entered into any definitive agreements with any third party transport service providers and engage them on a needs basis. We rarely enter into written documentation in relation to the transportation services we hire which poses various additional risks including our inability to claim insurance. Further, the cost of our goods carried by such third party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods. Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost efficient manner. Further, the profit share of our Company may reduce on account of increased expenses of our customers from increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damage or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lockouts, accidents, inadequacies in road infrastructure or other events. We cannot assure you that any such disruptions may not occur in future and any such prolonged disruption or unavailability of such facilities

in a timely manner could result in delay in execution of contract, which could lead to termination of contracts or penal actions being taken against the customers, who may in turn take legal actions against our Company. Our Company may be held liable for any damages that are caused to the commodities of our customers, buyers and suppliers. Such losses can adversely affect our profitability and our Company's reputation. Our Company does not have in-transit insurance for transportation of commodities of our customers, therefore if damage is caused to the goods during the process of such deliveries or in case of accidents or in case of theft by the delivery persons, such damages are to be borne by our customers or by our Company, which may increase our Company's liability, reduce our revenue share and can adversely affect the profitability and reputation of our Company.

**15. Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.**

We have experienced negative cash flows in the past which have been set out below:

(₹ in Lakhs)

Particulars	January 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Net Cash Flow from/ (used in) Operating Activities (A)	88.76	114.81	(9.92)	16.05
Net Cash Flow used in Investing Activities (B)	6.23	(1.96)	2.39	(2.15)
Net Cash Flow used in Financing Activities (C)	(253.21)	25.84	33.83	1.16
<b>Net increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(158.22)</b>	<b>138.69</b>	<b>26.30</b>	<b>15.06</b>
Cash and cash equivalents at the beginning of the year/period	189.73	51.04	24.74	9.68
<b>Cash and cash equivalents at year/ period end</b>	<b>31.51</b>	<b>189.73</b>	<b>51.04</b>	<b>24.74</b>

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, please refer "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 174 and 222, respectively.

**16. Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to be volatile.**

Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- our ability to acquire and retain clients for our services;
- maintaining high levels of customer satisfaction;
- costs relating to our operations;
- continuing cordial relations with warehousing service providers, quality testing agencies and logistical service providers;
- pricing policies introduced by our competitors;
- the timing and nature of, and expenses incurred in, our marketing efforts;
- recruiting, training, and retaining sufficient skilled technical and management personnel;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems;

Also, please refer "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 222 for details on the factors affecting our financial results. All of these factors, in combination or alone could negatively impact our revenues and may cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

**17. The proposed objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.**

The objects of the Issue for which the funds are being raised have not been appraised by any bank or financial institution. In the absence of such independent appraisal, the requirement of funds raised through this Issue, as specified in the section titled "Objects of the Issue" are based on the company's estimates and internal research. We may have to revise our

management estimates from time to time and consequently our funding requirements may also change. This may result in rescheduling of our expenditure plans and an increase or decrease in our proposed expenditure for a particular object. Deployment of these funds is at the discretion of the management and the Board of Directors of the company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

**18. Our Company has issued Equity Shares in the last one year at a price which is lower than the Issue Price.**

We have issued Equity Shares in the preceding one year at a price which is lower than the Issue Price. The details of the Equity Shares have been provided below:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Reason for allotment	Whether part of Promoter Group	Name of allottees
March 11, 2024	1,35,000	10	92	Preferential Allotment	No	Equity Shares have been allotted to Nidhi Pankaj Nagar

We cannot assure you that any issuance of Equity Shares made by our Company post completion of this Issue will be above the Issue Price or the prevailing market price of our Equity Shares. For further details, please see “*Capital Structure*” on page 71.

**19. We face several risks associated with the booking warehouse spaces, which could hamper our growth and consequently our business, results of operations and financial condition.**

In order to ensure effective and timely execution of contracts through our technology platform, we intend to book warehouse spaces in different cities for our customers, by paying security deposit to GoGreen Warehouse Private Limited. We propose to utilise an amount of ₹ 40.00 lakhs from the Net Proceeds towards booking warehouse space with GoGreen Warehouse Private Limited. For more details on the utilization of the Net Proceeds, please see the section titled ‘*Objects of the Issue*’ on page 81. While, we propose to book warehouse spaces, however the same is subject to completion of development of our technology platform and receipt of adequate orders in our technical platform. The warehousing spaces that are proposed to be booked by us are subject to a time limitation of one year and in the event during that time if we are unable to complete the development of our platform or are unable to receive adequate orders for storing commodities, the warehousing spaces may not be adequately utilised and our deposit may be forfeited. In the absence of business opportunities and warehousing demand on our platform, we may need to cease operations at our warehouses, including termination of our arrangement with GoGreen Warehouse Private Limited. Moreover, if we along with the warehousing service providers, are unable to properly preserve and maintain the commodities stored in our warehouses and provide quality services to our customers, as a result of which the quality of the commodities is compromised, we could be in breach of our contractual obligations to our customers which could lead to, amongst others, monetary and reputational damage. The computation of storage capacity of a warehouse and utilization level thereof can vary depending upon, amongst other factors, the mix of commodities stored, the size of the warehouse, the infrastructure available and the formulae used for calculation. Our Company cannot assure that we will be able to utilise all of our warehousing spaces, if there is any disruption in lack of demand for our services. Any failure to cope adequately with such disruption or lack of demand would have an adverse effect on our Company’s business, results of operations and financial condition.

**20. We intend to utilise a portion of the Net Proceeds towards purchasing hardware and software for the technology platform. We are yet to place orders for such products.**

Our Company intends to utilise a portion of the Net Proceeds towards (i) purchasing subscription of server for hosting the technical platform and mobile application; and (ii) purchasing hardware such as desktops, laptops and tablets. Our Company is engaged in the commodities market, and offers a bouquet of services to customers proposing to procure or sell commodities either from the physical or the online commodities market. With an intent to digitalise the operations of our Company, in the year 2023-2024, our Company created a digitally native, technology led platform to offer an interactive procurement, selling and execution services, across our various offerings to our customers. The platform was required to be developed in two phases and our Company has completed the first phase of development. In order to develop the second phase of our platform, we intend to purchase servers for hosting the technical platform and mobile application and purchase hardware such as desktops, laptops and tablets, for the employees who shall be operating and maintaining our platform and running our customer care center and branch offices. Accordingly, we wish to utilise a portion of the Net Proceeds towards purchasing subscription of Microsoft Azure for a period of one year and for purchasing hardware such as desktops, laptops

and tablets. Our Company is yet to place orders worth ₹ 150 lakhs for purchasing the aforementioned services and products. Further, the cost of the server and the hardware is based on the details available on the Microsoft website and quotations received from dealers and such quotes are subject to change due to various factors such as, change in the government regulation and policies, change in management's view of desirability of the current plans, possible cost overruns, etc. Since, our Company has not yet placed orders for the said software and the hardware, we cannot assure that we will be able to procure the same in a timely manner and at the same price at which the quotations have been received. Delay in procurement of the same can compel our Company to buy such materials at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

**21. *There have been instances of delay in repayment of loans in the past.***

There have been instances of delayed repayment of borrowings in the past. The details of the same have been provided below:

Banks	Details of Loans availed	Financial Year in which delay occurred	Amount of default	Period of default (in days)
			(₹ in lakhs)	
HDFC Bank	Car loan	2023-2024	0.25	1
Clix Capital Service Pvt Ltd	Business Loan	2022-2023	0.74	1
Aditya Birla Finance	Business Loan	2023-2024	0.90	2
HDFC Bank	Car Loan	2020-2021	0.22	1
HDFC Bank	Car Loan	2020-2021	0.22	1
HDFC Bank	Car Loan	2020-2021	0.10	1
HDFC bank	Car Loan	2020-2021	0.10	1

For further details, please see – “History and Certain Corporate Matters- Defaults or rescheduling/restructuring of borrowings with financial institutions/banks” on page 150.

We cannot assure you that there will not be any future instances in delay or default in repayment of borrowings or request our lenders to reschedule of our loans. We also cannot assure you that any of our requests in this regard would be accepted by our lenders or it would not trigger any restrictive covenants or events of default as per the agreements executed with our lenders. Occurrence of any of the aforementioned events, could affect our cash flows, financial condition and business operations.

**22. *One of our Promoters have extended personal properties as collateral for securing the facilities availed by our Company. Withdrawal of such properties may adversely affect our business operations and financial condition.***

Our Promoter Rupesh Pravinchandra Dalal has provided his personal property as collateral for securing the loans availed by our Company from RBL Bank Limited and Indostar Capital Finance Limited. In the event if the personal property of our Promoter is withdrawn, our lenders may require us to furnish alternate properties or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative properties in a timely manner or at all. If the properties are withdrawn, the ability of our Company to continue its business operations could be adversely affected. Further, if our lenders enforce any of the restrictive covenants or exercise their options under the relevant debt financing arrangement, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details please refer to the chapter titled “Financial Indebtedness” on page 219 of this Draft Red Herring Prospectus.

**23. *We may not be able to maintain our current levels of profitability due to increased costs or reduced trading spreads or margins.***

Our business strategy involves a relatively high level of ongoing interaction with our clients and intermediaries. We believe that this involvement is an important part of developing our relationship with our clients and intermediaries, identifying new cross selling opportunities and monitoring our performance. However, this level of involvement also entails higher levels of costs and also requires a relatively higher gross spread, or margin, on the various products we offer in order to maintain profitability. There can be no assurance that we will be able to maintain our current levels of profitability if the gross spreads on our traded products were to reduce substantially, which could adversely affect our results of operations.

**24. *If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business, it may have a material adverse effect on our business, results of operations and financial condition.***

We require certain statutory and regulatory licenses, registrations and approvals to operate our business some of which are granted for a fixed period of time and need to be renewed from time to time. Further, in future, we may also be required to obtain new licenses, registrations and approvals for any proposed operations, including any expansion of existing operations. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. Further, these licenses, registrations and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. We may be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. Further, our Company will be responsible for bearing any and all liabilities arising out of this non-compliance. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues and operations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company and licenses for which renewal applications have been made, kindly refer the chapter titled "Government and Other Approvals" beginning on page 242 of this Draft Red Herring Prospectus.

**25. *Our Company has availed certain unsecured loans which may be recalled at any time.***

Our Company has availed certain unsecured loans, which may be recalled at any time. In the event, any of such unsecured lenders seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to undertake new projects or complete our ongoing projects. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see "Financial Indebtedness" on page 219 of this Draft Red Herring Prospectus.

**26. *Cybersecurity threats continue to increase in frequency and sophistication. A successful cybersecurity attack could interrupt or disrupt our information technology systems or cause the loss of confidential or protected data, which could disrupt our business, force us to incur excessive costs or cause reputational harm.***

During the ordinary course of business, we collect, store, process, transfer, and use a wide range of confidential information, including personally identifiable information, for various purposes, including to follow government regulations and to provide services to our customers. The information we collect may be sensitive in nature and subject to a variety of privacy, data protection, cybersecurity, and other laws and regulations. Due to the sensitivity and nature of the information we process, as well as the size and complexity of our information systems, we are the target of, defend against and must regularly respond to cyberattacks, including from malware, phishing or ransomware, physical security breaches, or similar attacks or disruptions. If our security measures are breached or unauthorized access to customer data is otherwise obtained, our solutions may be perceived as not being secure, and we may incur significant liabilities. While we have invested in the protection of data and information technology, there can be no assurance that our efforts will prevent or quickly identify service interruptions or security breaches. Any such interruption or breach of our systems could adversely affect our business operations and result in the loss of critical or sensitive confidential information or intellectual property, and could result in financial, legal, business and reputational harm to us.

**27. *We may not be able to provide solutions that meet our clients' requirements, which could lead to clients discontinuing their work with us, which in turn could harm our business.***

We deal in the commodities market, primarily in agricultural commodities, wherein we offer contract execution services in the physical as well as exchange markets to business owners, farmer producer organization, stockists, farmers, traders, etc. We have also set up a technology platform for digitalising and centralising our operations for our customers and for expanding the scope of our operations. In order to ensure the successful execution of the platform, we will be required to establish closer relationships with our clients and potentially with other technology service providers and vendors and require a more thorough understanding of our clients' operations. Our ability to establish these relationships will depend on a number of factors including the proficiency of our technology professionals and our management personnel. We may face challenges to successfully diversify and develop our services in response to evolving trends and demands may adversely affect our growth and negatively impact our profitability. Our service offerings may fail to accurately address our clients'

or users requirements and may not generate the returns as anticipated. We may be required to discontinue such offering and we may not be able to recover the expenses incurred in developing and launching such offerings. There can be no assurance that there are no other services that will be discontinued in future. Thus, if we are unable to attain a thorough understanding of our clients' operations, our service offerings may not effectively meet client needs and jeopardize our client engagements, which may negatively impact our revenues and financial condition. Any inability to manage the scale of operations could cause clients to lose confidence in our offerings and may choose not to use our services. Further, it may also adversely impact our reputation which may in turn adversely impact our financial condition and results of operations.

**28. *One of our Promoter Group entity is engaged in a similar line of business as our Company and may compete with us.***

Our Promoter Group entity, New Edge Commodities Private Limited has been incorporated to engage in the same business as our Company, and may have common pursuits with our Company. We cannot assure you that there will be no conflict of interest in allocating business opportunities between us and our Promoter Group entity going forward. While, there is currently no active conflict between our Promoter Group entity and our Company, however we cannot assure you that there will not be any conflict of interest in allocating business opportunities between us and our Promoter Group entity going forward. We have not entered into any non-compete agreement with our Promoter Group entity, and there can be no assurance that our Promoter Group entity will not compete with our existing business or that we will be able to suitably resolve any such conflict without an adverse effect on our business and financial performance.

**29. *Stringent and changing laws and regulations relating to privacy and data protection could result in claims, harm our results of operations, financial condition, and prospects, or otherwise harm our business.***

We are subject to a numerous laws, rules, directives, and regulations, as well as contractual obligations, relating to the processing privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data, including personal information. The regulatory framework for privacy and data protection worldwide is rapidly evolving and, as a result, implementation standards and enforcement practices are likely to continue to evolve for the foreseeable future.

As part of our operations, we are required to comply with the Information Technology Act, 2000 and the rules thereof, which provides for civil and criminal liability including compensation to persons affected, penalties and imprisonment for various cyber related offenses, including unauthorized disclosure of confidential information and failure to protect sensitive personal data. India has already implemented certain privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and or Information) Rules, 2011, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information. Additionally, the Government of India, in November 2022, published the Digital Personal Data Protection Bill, 2022, which sets out the rights and duties of the citizen (Digital Nagrik) and the obligations of the data fiduciary to use the collected data lawfully. As part of the compliance framework, it envisages the setting up of a Data Protection Board of India to determine non-compliance, to impose penalty for such non-compliance, and perform such other functions as the Central Government. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Compliance with current or future privacy and data protection laws (including those regarding security breach notification) affecting personal information to which we are subject could result in higher compliance and technology costs and could restrict our ability to provide certain products and services (such as products or services that involve us sharing personal information with third parties or storing personal information), which could materially and adversely affect our financial position and could reduce income from certain business initiatives. Our failure, or the failure of any third party with whom we conduct business, to comply with privacy and data protection laws could result in potentially significant regulatory investigations and government actions, litigations, fines, or sanctions, consumer, funding source, bank partner, and damage to our reputation and brand, all of which could have a material adverse effect on our business. Complying with privacy and data protection laws and regulations may cause us to incur substantial operational costs or require us to change our business or privacy and security practices. We may not be successful in our efforts to achieve compliance either due to internal or external factors, such as resource allocation limitations or a lack of cooperation from third parties. Although we have not received complaints or notifications from third parties, alleging that we have violated applicable privacy and data protection laws and regulations, we cannot assure you that this will not occur in the future. Non-compliance could result in proceedings against us by governmental entities, customers, or others. We may also experience difficulty retaining or obtaining new customers in these jurisdictions due to the legal requirements, compliance cost, potential risk exposure, and uncertainty for these entities, and we may experience significantly increased liability with respect to these consumers pursuant to the terms set forth in our agreements with them.

**30. *Our inability to cater to unanticipated surges or increases in transaction volumes may adversely impact our financial performance.***

Continued increases in transaction volumes may require us to expand and adapt our network and technology infrastructure to avoid interruptions to our systems and technology. Any unanticipated surges or increases in transaction volumes across any or all of our products may cause interruptions to our systems and technology, reduce the number of completed transactions, increase expenses, and reduce the level of customer service, and these factors could adversely impact our reputation and, thus, diminish consumer confidence in our systems, which may result in a material adverse effect on our business, results of operations and financial condition.

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

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will 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. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

**32. *We depend on the accuracy and completeness of information about customers and counterparties and any misrepresentation, errors in or incompleteness of such information could cause our business to suffer.***

In deciding whether to onboard a customer on our platform and to rely upon credibility of the sellers and buyers to execute their contractual obligations or enter into other transactions with customers, we rely on information furnished to us by or on behalf of customers. We may also rely on certain representations from our customers as to the accuracy and completeness of that information. For ascertaining the creditworthiness we do not obtain any independent support from credit information companies or credit bureaus and on independent valuers in relation to the value of the net worth of such parties. Our reliance on any misleading information given may affect our judgment of credit worthiness of potential customers, which may affect our business, prospects, results of operations and financial condition.

**33. *We operate in a competitive business environment and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.***

The industries in which we operate are competitive with both organized and unorganized markets. We may be unable to compete with the prices and services offered by our competitors. We may have to compete with new players who enter the market and are able to offer competing services. Our competitors may have access to greater financial, research and development, marketing, distribution and other resources and more experience in obtaining the relevant regulatory approvals. Increasing competition may result in pricing pressures and decreasing profit margins or loss of market share or failure to improve our market position, any of which could substantially harm our business and results of operations. We cannot assure you that we will be able to compete with our existing as well as future competitors as well as the prices and payment terms of our services. Our failure to successfully face existing and future competitors may have an adverse impact on our business, growth and development.

Further, some of our competitors may be larger than we are or develop alliances to compete against us and may have greater resources, market presence and geographic reach and have services with better brand recognition than ours. As a result, our competitors may be able to withstand industry downturns better than us or provide customers with services at more competitive prices. Consequently, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. We cannot assure you that we will be able to maintain our existing market share. Our competitors may significantly increase their marketing expenses to promote their brands, which may require us to similarly increase our marketing expenses and engage in effective pricing strategies, which we may not be able to pass on to our customers which in turn may have an adverse effect on our business, results of operations and financial condition.

**34. *Our Company proposes to utilize part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain secured borrowings availed by our Company and accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.***

Our Company intends to utilise a part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain secured borrowings availed by our Company. The details of the loans identified to be repaid or prepaid using the Net

Proceeds have been disclosed in the section titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus. While we believe that utilization of Net Proceeds for repayment of secured loans would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the pre-payment of loans will not result in the creation of any tangible assets for our Company.

**35. *The commodities trading industry has been and continues to be subject to strict regulatory requirements and scrutiny. Any adverse change in regulations governing our services or commodity trading, may adversely impact our business prospects and results of operations.***

An adverse change in the regulations governing the development of our services, including the development of licensing requirements and technical standards and specifications or the imposition of onerous requirements, may have an adverse impact on our operations. The commodities trading industry has been and continues to be subject to strict regulatory requirements and scrutiny, and we face the risk of changes to laws, regulations or governmental policies that may diminish trading volumes or have an adverse effect on the way the commodity futures exchanges conduct their business and the results of their business operations. In addition, the Government of India places restrictions on the type of commodity futures contracts that can be traded, and the type of investors that can participate in investment activities, in India. Ministry of Consumer Affairs may introduce changes in laws, regulations or governmental policies which could have an adverse effect on the way commodity contracts are traded on commodity exchanges. In the event there occurs any significant changes in the commodities and quality of commodities traded on the commodity exchanges, we may have to revise our service portfolio to align it with the change in the regulatory regime. New legislation, regulations or enforcement may require our Company to allocate more resources to regulatory compliance and oversight, impede our ability to operate and grow our business, which would adversely affect our business, financial condition and results of operations.

**36. *Any delay or default by our customers in making our payments could result in reduction of our revenue share and/or reduction of our Company’s profits, thereby affecting our operation and financial condition.***

As per our revenue model, we earn commission over and above the profit earned by our customers to whom we provide cash and carry services. We also earn revenue through directly trading in commodities in the jurisdictions where we operate. In the event there occurs a delay in executing of contracts or any deficiency in execution of contracts by our third party intermediaries, the revenue which we earn from our customers could significantly decline. Further, there can also be instances wherein our buyer counterparties in our trading segment, may delay or default in making payment for the commodities purchased from us. It may also happen that we may not be able to earn revenue equalling to the proportion of work conducted by us on a contract or earn any revenue at all, thereby impacting our ability to earn income equivalent or over and above the expenditure incurred by us. Any adverse changes in the commodity markets could also adversely impact our revenue share. Our financial position and financial performance are dependent on the creditworthiness of our customers, ability of our third party intermediaries in providing quality and timely services and the probability of our customers to earn profits from their trades.

Our customers or buyer counterparties may also commit delays or defaults in making payment towards our services. If a customer or a buyer counterparty defaults in making its payments on a contract on which our Company has devoted significant resources, or if a contract in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company’s results of operations and financial condition. There is no guarantee on the timeliness of all or any part of our customers’ or buyer counterparties’ payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

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


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

Further, expansion into new international markets is important to our long-term prospects. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of



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

**38. *If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.***

Our Company is currently using logo , which is not yet registered in the name of our Company. While, we have made applications for registering the name and logo of our Company, however the application is pending for approval. If we are unable to get the same registered with the trademark authorities then, our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business and goodwill, which in turn could adversely affect our results of operations.

There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which could adversely affect our business, results of operations and financial condition. For further details, please refer to the chapters titled “*Our Business*” and “*Government and other Statutory Approvals*” on pages 125 and 242, respectively of this Draft Red Herring Prospectus.

**39. *Our Promoters, Directors, Senior Management and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.***

Our Promoters, Directors, Senior Management and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Director, Senior Management and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraphs titled — “*Interest of our Directors*” in the chapter titled — “*Our Management*”, the paragraphs titled — “*Interest of our Promoters and Other Interests and Disclosures*” in the chapter titled — “*Our Promoters and Promoter Group*”, “*Financial Indebtedness*” and “*Restated Financial Information*” on pages 158, 168, 219, and 174, respectively of this Draft Red Herring Prospectus.

There can be no assurance that our Promoters, Directors, Senior Management and Key Managerial Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group 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.

**40. *Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Upon completion of this Issue, our Promoters and members of our Promoter Group will collectively hold [●]% of the Equity share capital of our Company. As a result, our Promoters 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 or special 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 will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger,

consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. The interests of our Promoters could conflict with the interests of our other equity shareholders, and our Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

**41. The average cost of acquisition of Equity Shares held by our Promoters could be lower than the Issue Price.**

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined on a book building basis. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled "Capital Structure" on page 71 of this Draft Red Herring Prospectus.

**42. We are exposed to foreign currency exchange rate fluctuations, which may impact our results of operations and cause our results to fluctuate. Our inability to manage our foreign currency risk may harm our results of operations and cause our results to fluctuate and/or decline.**

Our financial statements are presented in Indian Rupees. However, our revenue and expenses are influenced by the currency of foreign countries. Our Company's activities / operations are confined to India and outside India as such there is two geographical segment. A revenue break up of our revenue from operations earned from domestic and international operations have been provided below:

Particular	For the period ended	For the year ended		
	31-Jan-24	31-Mar-23	31-Mar-22	31-Mar-21
<b>In India</b>				
- Sale of traded goods	1,042.16	5,620.28	743.63	101.35
- Sale of services	491.78	339.46	257.64	211.26
- Other operating revenue	5.52	0.87	-	-
<b>Out Side India</b>				
Sale of traded goods	118.54	719.79	-	-
Sale of services	-	-	-	-
Other operating revenue	-	-	-	-
<b>Total</b>	<b>1,657.99</b>	<b>6,680.41</b>	<b>1,001.27</b>	<b>312.60</b>

As part of our contract execution services under import and export operations relating to various commodities, we undertake key functions such as import-export finance, quality testing and logistics for our customers. We also directly trade commodities in the Indian and international jurisdictions. The amount of commission earned by us is a percentage of amount financed by our customer through us from banks and financial institutions. Further, the revenue earned as part of our international trading business is also in foreign currency. In certain cases, the amount financed is in foreign currency and therefore the revenue earned from these operations is also susceptible to foreign currency fluctuations. Further, due to the time gap between the accounting of purchases and actual payments, the foreign exchange rate at which the purchase is recorded in the books of accounts may vary with the foreign exchange rate at which the payment is made, thereby benefiting or affecting us, depending on the appreciation or depreciation of Rupee as compared to the foreign currency. We may, therefore, be exposed to risks arising from exchange rate fluctuations, suffer losses on account of foreign currency fluctuations for our material procurement and/or payments received and we may not be able to pass on all losses on account of foreign currency fluctuations to our customers. As on date of this Draft Red Herring Prospectus, we do not have any hedging policy to mitigate the losses on account of foreign currency fluctuations. There is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline.

**43. Our future fund requirements, in the form of further Issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually 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 favorable 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.

**44. Our Registered Office and our branch offices are located on premises which are not owned by us and has been obtained on lease basis. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our operations and, consequently, our business, financial condition and results of operations.**

As on the date of this Draft Red Herring Prospectus, our Registered Office and our branch offices in Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh and Telangana are located on properties taken on lease basis from third parties. The details of the leasehold properties have been provided below:

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Leave and License Agreement made and executed on March 16, 2024 at Mumbai between Desai Nehar R, (“ <b>Licenser</b> ”) and our Company	Corporation: Mumbai, Other Details: Shop No: F/69, Floor No.: 1 <sup>st</sup> , Building Name: X <sup>th</sup> Central Mall, Block, Sector: Kandivali West, Mumbai 400067, Road: Mahavir Nagar, City: Kandivali, District: Mumbai	Rs. 48,000 (Forty-Eight Thousand Only) per month for the first 3 months, Rs. 50,000 (Fifty Thousand Only) per month for the next 11 months, and Rs. 52,500 (Fifty-Two Thousand and Five Hundred Only per month for the next 11 months.)  Payment of Deposit: Rs.2,00,000 (Two Lakh Only)	From March 15, 2024 to April 14, 2026.	Registered Office
2.	Rent agreement dated May 1, 2024 between Vipin Patel (“ <b>Landlord</b> ”) and our Company (“ <b>Tenant</b> ”)	Shop Number 2 (first floor) located in village Harakh Nawabganj, Uttar Pradesh.	Monthly rent Rs.1500 (Rupees Fifteen Hundred Only)	From May 1, 2024 until April 30, 2025	Branch Office
3.	Rent Agreement dated May 1, 2024 between Janki Devi, W/o Shri Chandra Mohan (“ <b>Landlord</b> ”) and our Company (“ <b>Tenant</b> ”)	D-4-93, Vishnu Gaarden, Khokhawas, Tonk Road, Jaipur (Rajasthan)- 302011	Monthly rent Rs.5000 (Rupees Five Thousand Only)	From May 1, 2024 until April 30, 2026	Branch Office
4.	Rent Agreement dated May 8, 2024 between Chandrakala Nagla, W/O Mr. Late Shiv Narayan Nagla (“ <b>Lessor</b> ”) and our Company (“ <b>Lessee</b> ”)	H. No.: 6-26-1405(Old) 6-26-134 (New) admeasuring an area of 570 Sq.ft., Gurbabadi Road, Beside Sadanand Garden, Nizamabad- 503002, Telangana	Monthly rent of Rs. 3000 (Rupees Three Thousand Only)	From May 8, 2024 until March 31, 2025	Branch Office
5.	Rent agreement executed on March 13, 2024 between Manjeet Cotton Pvt. Ltd. through Karan Rajpal (“ <b>Lessor</b> ”) and our Company (“ <b>Lessee</b> ”).	Office No.: 206, located on the second floor of Shanay-2, opposite Gandhigram Railway Station, behind Honda Service, in the Mouje Ashram Road area, Taluka City, District Sub-District Ahmedabad.	Monthly rent is Rs. 5,000 (Rupees Five Thousand Only), inclusive of Municipal Tax and Maintenance.	From January 15, 2024, until January 13, 2025.	Branch Office
6.	Rent agreement executed on May 1, 2024, effective from March 1, 2024 between Renu Asopa (“ <b>Lessor</b> ”) and our Company (“ <b>Lessee</b> ”).	Ward No 12, Jain Mandir Gali, Ganj Basoda, Vidisha, Madhya Pradesh, 464 221	Monthly rent is Rs. 2,500 (Rupees Five Thousand Only), inclusive of Municipal Tax and Maintenance.	From March 1, 2024 to January 31, 2025	Branch Office

Once the aforementioned lease agreements, expire, there can be no assurance that our Company will be able to successfully renew the said lease agreements in a timely manner or at all or on terms favourable to us. Further, there can be no assurance that we will not face any disruption of our rights as a lessee and that such lease agreements will not be terminated prematurely by the lessor. Any such non-renewal or early termination or any disruption of our rights as lessee will adversely

affect our business, financial conditions and results of operations. For further details, see “*Our Business – Properties*” on page 139.

**45. *Our Company had undertaken a preferential allotment of Equity Shares which was not in compliance with certain requirements of the Companies Act, 2013. Additionally, there have been instances in the past where our Company failed to file statutory forms with the RoC, in compliance with Companies Act, 2013.***

Our Company had undertaken a preferential allotments on March 11, 2024, wherein it had failed to receive funds in a separate bank account and had also failed to file Form. MGT-14 in respect of the resolution passed by the Shareholders, prior to dispatch of Form PAS-4, in accordance with Section 42 of the Companies Act and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, our Company has not filed Form CHG-1 for registering a charge with the RoC in respect of the loans availed by our Company from RBL Bank Limited and Indostar Capital Finance Limited, in which the personal property of our Promoters has been provided as security.

No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

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

As of January 31, 2024, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. While we believe that all our related party transactions have been conducted on an arm’s length basis and in accordance with the provisions of the Companies Act, 2013, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. For further details, please refer to the chapter titled — “*Restated Financial Information*” at page 174.

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

**47. *Our agreements with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.***

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans from third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — “*Financial Indebtedness*” on page 219 of this Draft Red Herring Prospectus.

Further, some of our financing arrangements include covenants to maintain our total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. We cannot assure prospective investors that such covenants will not hinder our business development and growth in the future. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of our Company’s financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, business, results of operations and financial condition.

It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

**48. *In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness.***

In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “*Financial Indebtedness*” on page 219 of this Draft Red Herring Prospectus.

**49. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 81 of this Draft Red Herring Prospectus.

**50. *Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Key Managerial Personnel. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.***

The growth and success of our Company’s future significantly depends upon the experience of our Promoters and continued services and the management skills of our Key Managerial Personnel and the guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — “*Our Management*” on page 153 of this Draft Red Herring Prospectus.

**51. *Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to inherent risks and hazards which may adversely impact our profitability. Presently, we maintain car insurance policies for insuring vehicles owned by us and insurance policy for insuring our employees. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by

us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

**52. *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. 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 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 also. For further details, please refer to the chapter titled “*Dividend Policy*” on page 173 of this Draft Red Herring Prospectus.

**53. *The data and statistics added in this Draft Red Herring Prospectus may be incomplete or inaccurate or may not be comparable to statistics produced elsewhere.***

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

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

We are not a listed Company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI (LODR) Regulations which will require us to file audited annual and unaudited half yearly results and limited review 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 promptly as other listed companies which may adversely affect the financial position of the Company.

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

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

The proposed fund requirement, for purchasing plant and machinery, primarily, as detailed in the chapter titled “*Objects of the Issue*” beginning on page 81 is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We, therefore, cannot assure that we would be able to execute our future plans/strategy within the estimated time frame.

**56. *The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Although we currently

intend that the Equity Shares will remain listed on the Stock Exchanges, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchanges or other securities markets could adversely affect the market value of the Equity Shares.

The Issue Price of the Equity Shares is proposed to be determined through a book building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. You may not be able to resell your Equity Shares at a price that is attractive to you.

**57. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National Stock Exchange of India Limited in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of National Stock Exchange of India Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**58. *There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.***

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the lead manager, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

**59. *Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

Our Company intends to use the Net Proceeds towards funding of working capital requirements and repayment of unsecured borrowings. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter se allocation across various heads, as disclosed in the section titled “Objects of the Issue” on page 81.

In case of any exigencies arising out of business conditions, economic conditions, competition or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure or fund which expenditure cannot be determined with certainty as on the date of this Draft Red Herring Prospectus. In terms of Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilisation of the Net Proceeds disclosed in the Draft Red Herring Prospectus, we cannot assure that we will 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 required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue. Additionally, the requirement on 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 of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such

variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

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

The Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchanges, trading in the Equity Shares is to commence within three (3) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI.

We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the Stock Exchanges in a timely manner or at all.

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

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading 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 the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

**62. *The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.***

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts' estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- significant developments in India's economic liberalisation and deregulation policies;
- significant developments in India's fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks.

Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.



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

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through further issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

**EXTERNAL RISK FACTORS**

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

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

The Government of India has announced the union budget for Fiscal 2024 and the Ministry of Finance has notified the Finance Act, 2023 ("**Finance Act**"). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, the Personal Data Protection Bill, 2019 ("**PDP Bill**") was introduced to propose a legal framework governing the processing of personal data. However, the PDP Bill has been withdrawn on August 3, 2022 and the Ministry of Electronics and Information Technology, Government of India ("**MoEIT**") has submitted a new Digital Personal Data Protection Bill, 2022 before the Parliament.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**66. *Our business is substantially affected by prevailing economic conditions in India.***

We perform all of our activities in India, and the predominant portions of our customers are Indian nationals. As a result, we are highly dependent on prevailing economic conditions in India and our results of operation are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- any increase in Indian interest rates or inflation;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; and
- prevailing national, regional or global economic conditions, including in India's principal export markets.

In addition to the factors set forth above, our business may be affected by adverse changes specific to the industries in which we operate.

**67. *Foreign investors are subject to foreign investment restrictions under Indian law.***

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

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

Any adverse revisions to India's credit ratings 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.

**69. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

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

**70. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance of our business. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence and spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**71. *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

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

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

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the

Indian stock markets where our Equity Shares will trade as well as the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

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## **SECTION IV - INTRODUCTION**

### **THE ISSUE**

The present Issue of 10,21,200 Equity Shares of face value of ₹ 10/- each in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors held on April 15, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extraordinary General Meeting of the members held on May 7, 2024.

The following is the summary of the Issue:

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>	Upto 10,21,200 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs.
<b>Out of which:</b>	
<b>Issue Reserved for the Market Maker</b>	[●] Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	Upto [●] Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs.
<b>Out of which*</b>	
A. QIB Portion <sup>(4)(5)</sup>	Not more than [●] Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs
<b>Of which</b>	
Anchor Investor Portions	Upto [●] Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs
Net QIB portion (assuming the Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs
<b>Of which</b>	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion)	Upto [●] Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs
B. Non-Institutional Portion	Not less than [●] Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs
C. Retail Portion	Not less than [●] Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	28,55,000 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	Upto [●] Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “Objects of the Issue” on page 81 of this Draft Red Herring Prospectus.

\* Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price.

#### **Notes:**

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation 229 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on April 15, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on May 7, 2024.
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price.
- 4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.

- 5) *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*

*For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on page 262 and 266, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 255.*

## **SUMMARY OF FINANCIAL INFORMATION**

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the period ended January 31, 2024 and as at and for the Financial Years ended March 31, 2023, 2022 and 2021. The Restated Financial Information referred to above is presented under the section titled “Financial Information” beginning on Page No. 174 of this Draft Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 174 and 222, respectively of this Draft Red Herring Prospectus.*

# RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

PARTICULARS		As at	As at March 31,		
		31 January 2024	2023	2022	2021
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1.</b>	<b><u>Shareholders' Funds</u></b>				
(a)	Share capital	1.00	1.00	1.00	1.00
(b)	Reserves and surplus	278.20	95.38	61.51	53.25
	<b>Total (A)</b>	<b>279.20</b>	<b>96.38</b>	<b>62.51</b>	<b>54.25</b>
<b>2.</b>	<b><u>Non Current Liabilities</u></b>				
(a)	Long-term borrowings	115.75	100.01	39.18	3.37
(c)	Long-term provisions	15.25	10.21	8.33	5.04
	<b>Total (B)</b>	<b>131.00</b>	<b>110.22</b>	<b>47.51</b>	<b>8.40</b>
<b>3.</b>	<b><u>Current Liabilities</u></b>				
(a)	Short-term borrowings	26.65	278.16	59.33	20.48
(b)	Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	130.40	79.51	355.67	73.67
(c)	Other current liabilities	196.40	194.62	71.81	37.57
(d)	Short term provisions	24.60	2.99	1.00	0.70
	<b>Total (C)</b>	<b>378.04</b>	<b>555.28</b>	<b>487.80</b>	<b>132.41</b>
	<b>Total Equity and Liabilities (A+B+C)</b>	<b>788.25</b>	<b>761.89</b>	<b>597.82</b>	<b>195.07</b>
<b>B)</b>	<b>ASSETS</b>				
<b>1.</b>	<b><u>Non Current Assets</u></b>				
(a)	Property, plant and equipment and Intangible assets				
	(i) Property, plant and equipment	16.96	20.24	14.61	17.29
	(ii) Intangible assets	17.16	0.95	1.54	2.13
		<b>34.12</b>	<b>21.19</b>	<b>16.15</b>	<b>19.42</b>
(b)	Long term Loans & Advances	252.71	14.12	1.24	1.34
(c)	Othet Non- current Asset	2.69	50.89	35.87	41.97
(d)	Deferred tax asset (Net)	1.46	0.92	0.81	1.19
	<b>Total (A)</b>	<b>290.98</b>	<b>87.12</b>	<b>54.08</b>	<b>63.92</b>
<b>2.</b>	<b><u>Current Assets</u></b>				
(a)	Inventories	20.00	59.51	172.69	-
(b)	Trade receivables	294.74	118.84	205.38	26.95
(c)	Cash and bank balances	31.51	189.73	51.04	24.74
(e)	Short-term loans and advances	149.62	306.26	114.14	79.25
(d)	Other current assets	1.39	0.43	0.50	0.21
	<b>Total (B)</b>	<b>497.26</b>	<b>674.77</b>	<b>543.75</b>	<b>131.14</b>
	<b>Total Assets (A+B)</b>	<b>788.25</b>	<b>761.89</b>	<b>597.82</b>	<b>195.07</b>

**Restated Statement of Profit and Loss**
*(Amount in INR lakhs, unless otherwise stated)*

PARTICULARS		31 January, 2024	For the year ended March 31,		
			2023	2022	2021
1	Income				
(a)	Revenue from operations	1,657.99	6,680.41	1,001.27	312.60
(b)	Other income	63.20	16.58	7.22	0.89
	Total income	1,721.20	6,696.99	1,008.49	313.49
2	Expenditure				
(a)	Purchases of stock-in-trade	1,069.93	6,135.67	910.70	98.84
(b)	Changes in inventories of finished goods, and stock-in-trade	39.51	113.18	(172.69)	-
(c)	Employee benefit expenses	188.73	147.46	121.14	103.35
(d)	Finance cost	30.36	22.11	2.08	0.87
(e)	Depreciation & amortization	4.30	3.99	3.81	3.25
(f)	Other expenses	139.88	227.01	130.03	89.08
	Total expenditure	1,472.71	6,649.41	995.07	295.40
3	Profit/(Loss) before exceptional and extra ordinary item	248.48	47.58	13.41	18.10
	Exceptional items	-	-	-	-
4	Profit/(Loss) before tax (2-4)	248.48	47.58	13.41	18.10
5	Tax expense:				
(a)	Tax expense for current year	66.21	13.71	4.78	6.27
(b)	Short/(Excess) provision of earlier year	-	0.10	-	16.03
(c)	Deferred tax	(0.54)	(0.11)	0.38	(1.19)
	Net current tax expenses	65.67	13.70	5.16	21.11
6	Profit/(Loss) for the period from continuing operations (5-6)	182.81	33.88	8.25	(3.01)
	Earnings per share				
	Basic and Diluted [nominal value of INR 10 per share]	6.72	1.25	0.30	(0.11)



# **RESTATED STATEMENT OF CASH FLOWS**

(₹ in Lakhs)

PARTICULARS	31 January 2024	For the year ended		
		31 March 2023	31 March 2022	31 March 2021
<b>A) Cash Flow From Operating Activities :</b>				
Net Profit before tax	248.48	47.58	13.41	18.10
Adjustment for :				
Depreciation	4.30	3.99	3.81	3.25
Interest Paid	30.36	22.11	2.08	0.87
Interest Income	(23.46)	(6.18)	(2.93)	(0.69)
Short/(Excess) provision of earlier year	-	(0.10)	-	(16.03)
Profit on Sale of Car	-	(0.88)	-	-
Operating profit before working capital changes	259.68	66.51	16.37	5.50
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Inventories	39.51	113.18	(172.69)	-
(Increase)/Decrease in Trade Receivables	(175.90)	86.54	(178.43)	190.82
(Increase)/Decrease in Short Term Loans & Advances	156.64	(192.12)	(34.89)	(72.18)
(Increase)/Decrease in Other Current Assets	(0.96)	0.07	(0.29)	(0.21)
(Increase)/Decrease in Other Non Current Assets	48.19	(15.01)	6.10	14.58
Increase/(Decrease) in Trade Payables	50.89	(276.15)	282.00	(111.21)
Increase/(Decrease) in Other Current Liabilities	1.78	122.81	34.24	(7.44)
Increase/(Decrease) in Long Term Provisions	5.05	1.88	3.29	5.04
Increase/(Decrease) in Other long-term liabilities	-	-	-	-
Increase/(Decrease) in Short Term Provisions	21.61	1.99	0.30	0.70
Increase/(Decrease) in Short Term Borrowings	(251.52)	218.84	38.85	(3.27)
<b>Cash generated from operations</b>	154.97	128.52	(5.15)	22.33
Direct Tax Paid	(66.21)	(13.71)	(4.78)	(6.27)
<b>Cash Flow Before Extraordinary Item</b>	88.76	114.81	(9.92)	16.05
Extraordinary Items	-	-	-	-
Net cash flow from operating activities	88.76	114.81	(9.92)	16.05
<b>B) Cash Flow From Investing Activities :</b>				
Purchase/Sale of Property, Plant and Equipment	(17.23)	(11.64)	(0.54)	(2.84)
Sale of Property, Plant and Equipment		3.50	-	-
Interest Income	23.46	6.18	2.93	0.69
<b>Net cash flow from investing activities</b>	6.23	(1.96)	2.39	(2.15)
<b>C) Cash Flow From Financing Activities :</b>				
Share application money pending allotment	-			-

(Increase)/Decrease in Long term Loans & Advances	(238.58)	(12.88)	0.10	(1.34)
Increase/(Decrease) in Long Term Borrowings	15.74	60.83	35.82	3.37
Interest Paid	(30.36)	(22.11)	(2.08)	(0.87)
<b>Net cash flow from financing activities</b>	<b>(253.21)</b>	<b>25.84</b>	<b>33.83</b>	<b>1.16</b>
Net Increase/(Decrease) In Cash & Cash Equivalents	(158.22)	138.69	26.30	15.06
Cash equivalents at the beginning of the year	189.73	51.04	24.74	9.68
Cash equivalents at the end of the year	31.51	189.73	51.04	24.74

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## **GENERAL INFORMATION**

Our Company was incorporated on December 28, 2017 as '*Tirshil Enterprises Private Limited*', as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by the Board of Directors of our Company in their meeting held on November 21, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 12, 2023, the name of our Company was changed to '*Tirshil Algocomm Technologies Private Limited*' and a fresh certificate of incorporation dated December 29, 2023 was issued by the Registrar of Companies, Maharashtra at Mumbai. Further, pursuant to a resolution passed by the Board of Directors of our Company in their meeting held on November 21, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 12, 2023, our Company was converted into a public limited company and consequently the name of our Company was changed to '*Tirshil Algocomm Technologies Limited*' and a fresh certificate of incorporation dated January 10, 2024 was issued by the Registrar of Companies, Maharashtra at Mumbai. The corporate identification number of our Company is U74999MH2017PLC303433.

### **Registered Office of our Company**

#### **Tirshil Algocomm Technologies Limited**

F69, X<sup>th</sup> Central Shopping Centre,  
Mahavir Nagar, Kandivali West,  
Mumbai - 400 067,  
Maharashtra, India.

**Telephone:** +91 224 005 6792

**E-mail:** [info@tepltrade.com](mailto:info@tepltrade.com)

**Facsimile:** N.A.

**Investor grievance id:** [grievance@tepltrade.com](mailto:grievance@tepltrade.com)

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

**CIN:** U74999MH2017PLC303433

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

### **Registrar of Companies**

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

#### **Registrar of Companies, Maharashtra at Mumbai**

Registrar of Companies, 100, Everest  
Marine Drive, Mumbai- 400 002,  
Maharashtra, India.

**Telephone :** +91 022 2281 2627/ 2202 0295/ 2284 6954

**Facsimile:** +91 022 2281 1977

### **Board of Directors of our Company**

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

S. No.	Name	Designation	DIN	Address
1.	Rupesh Dalal	Managing Director	07407787	702, 703, Shiv Sadan, Gokhale Road, Near Dutt Mandir, Dahanukar Wadi, Kandiwali (West), Mumbai - 400 067, Maharashtra, India
2.	Pravinchandra Vaidya	Executive Director	08014813	B - 405, Vrindawan Bldg., Umed Ashram Road, Near Borivali Jail, Borivali West, Mumbai - 400 092, Maharashtra, India
3.	Nikita Rupesh Dalal	Non-Executive Director	10422338	702, 703, Shiv Sadan, Gokhale Road, Near Dutt Mandir, Dahanukar Wadi, Kandiwali (West), Mumbai - 400 067, Maharashtra, India
4.	Ashokkumar Prasad Shukla	Independent Director	07042572	A Wing Flat No 1005, Amey CHS Ltd, Plot No 24-29, Sector- 4, Near Masala Central, Navi Mumbai, Nerul Node, Thane- 400 706, Maharashtra, India
5.	Deepak Kumar Prasad Singh	Independent Director	09190976	501, Sneha Apartment, Ahimsa Marg Off Chincholi Bunder Road, Malad (West), Mumbai - 400 064, Maharashtra, India

For detailed profile of our Directors, please refer to the chapter titled ***“Our Management”*** on page 153 of the Draft Red Herring Prospectus.

### **Chief Financial Officer**

**Vishal Pravinchandra Dalal**, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

F69, X<sup>th</sup> Central Shopping Centre,  
Mahavir Nagar, Kandivali West,  
Mumbai - 400 067,  
Maharashtra, India.

**Telephone:** +91 845 204 5490

**Facsimile:** NA

**E-mail:** [vishal.dalal@tepltrade.com](mailto:vishal.dalal@tepltrade.com)

### **Company Secretary and Compliance Officer**

**Sagar Pankaj Shah**, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

F69, X<sup>th</sup> Central Shopping Centre,  
Mahavir Nagar, Kandivali West,  
Mumbai - 400 067,  
Maharashtra, India.

**Telephone:** +91 998 702 3438

**Facsimile:** N.A.

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

### **Investor grievances**

**Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.**

All grievances relating to the Issue other than the Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the Anchor Investors may be addressed to the BRLM, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

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

**Book Running Lead Manager**

**Fast Track Finsec Private Limited**

Office No. V-116, First Floor, New Delhi House,  
27, Barakhamba Road, New Delhi-110 001,  
Delhi, India.

**Telephone:** +91 011 430 2980

**Facsimile:** N.A.

**E-mail:** mb@ftfinsec.com, vikasverma@ftfinsec.com

**Contact Person:** Ms. Pallavi/ Mr. Vikas Kumar Verma

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

**Investor grievance:** investor@ftfinsec.com

**SEBI Registration No.:** INM000012500

**Registrar to the Issue**

**KFin Technologies Limited (formerly known as KFin Technologies Private Limited)**

Selenium Tower B, Plot No.31-32,  
Gachibowli, Financial District, Nanakramguda,  
Serilingampally, Hyderabad-500 032,  
Telangana, India.

**Telephone:** +91 406 716 2222

**Toll Free No.:** 18003094001

**Facsimile:** +91 406 716 1563

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

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

**Investor grievance:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**Contact Person:** M.Murali Krishna

**SEBI Registration No.:** INR000000221

**CIN:** L72400TG2017PLC117649

**Legal Advisor to the Issue**

**T&S Law**

Unit Number 15, Logix Technova,  
Block B, Sector 132, Noida - 201 304,  
Uttar Pradesh, India.

**Telephone:** +91 995 611 4287

**Facsimile:** N.A.

**Email:** [info@tandslaw.in](mailto:info@tandslaw.in)

**Contact Person:** Sagarika Kapoor

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

**N B T and Co,**

Chartered Accountants,  
201, 2<sup>nd</sup> Floor, Mahindra M-Space,  
Off Aarey Road, Next to Meenatai Thackeray Blood Bank,  
Goregaon (W), Mumbai- 400 104,  
Maharashtra, India.

**Telephone:** +91 897 660 0300

**Email:** nbtco@gmail.com

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

**Contact Person:** Ashutosh Biyani  
**Membership No.:** 165017  
**Firm Registration No.:** 140489W  
**Peer Review Certificate No.:** 013928

### **Bankers to our Company**

#### **Yes Bank Limited**

Yes Bank House, Off. Western Express Highway,  
Santacruz East, Mumbai – 400 055,  
Maharashtra, India.

**Telephone:** +91 226 507 9800/ 225 091 9800

**Facsimile:** +91 222 619 2866

**Email:** yestouch@yesbank.com

**Website:** www.yesbank.in

**Contact Person:** Swapnil Gedam

**CIN:** 165190MH2003PLC143249

### **Banker to the Issue**

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

### **Refund Bank**

The Refund Bank(s) shall be appointed prior to filing of the Red Herring Prospectus.

### **Sponsor Bank**

The Sponsor Bank(s) shall be appointed prior to filing of the Red Herring Prospectus.

### **Syndicate Member**

The Syndicate Member(s) shall be appointed prior to filing of the Red Herring Prospectus.

### **Designated Intermediaries**

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

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

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

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

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

### ***Registered Brokers***

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) as updated from time to time.

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

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

### ***Collecting Depository Participants***

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### **IPO Grading**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

### **Credit Rating**

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

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Brokers to the Issue**

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

### **Debenture Trustees**

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

### **Monitoring Agency**

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

### **Appraising Entity**

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

### **Expert Opinion**

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

Our Company has received written consent dated June 29, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as a Statutory Auditor and in respect of its (i) examination report dated May 27, 2024 on our restated financial information; and (ii) its report dated June 29, 2024 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

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

Fast Track Finsec Private Limited, being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the . Hence, a statement of inter se allocation of responsibilities is not required.

## **Filing**

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Red Herring Prospectus/ Prospectus, will also be filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts, documents and the Prospectus will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

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

Except as mentioned below, there has been no change in the statutory auditors of our Company in the last three years preceding the date of this Draft Red Herring Prospectus:

<b>Name of the auditor</b>	<b>Date of change</b>	<b>Reason of change</b>
<b>Ramana Palaparthi &amp; Associates</b> Chartered Accountants, 116, V Mall, Thakur, Kandivali East, Mumbai-400 001, Maharashtra, India. <b>Telephone:</b> +91 932 054 6789 <b>Email:</b> vijaysaradhi108@gmail.com <b>Firm Registration No.:</b> 080782 <b>Peer Review Certificate No.:</b> NA	February 8, 2020	Resigned from the post of Statutory Auditor due to pre-occupation.
<b>M.S. Mandlecha &amp; Co.</b> Chartered Accountants, F45 Sej Plaza, Marve Road, Malad West, Mumbai- 400 064, Maharashtra, India. <b>Telephone:</b> +91 973 002 0991 <b>Email:</b> auditor.camayur@gmail.com <b>Firm Registration No.:</b> 129037W	February 9, 2020	Appointment of M.S. Mandlecha & Co., Chartered Accountants Statutory to fill in the casual vacancy caused on account of resignation of the <i>erstwhile</i> auditor.
	December 30, 2020	M.S. Mandlecha & Co., Chartered Accountants was re-appointed as the Statutory Auditor of our Company, post expiry of their term on March 31, 2020. The auditor was appointed for a period of five years.
	October 16, 2023	M.S. Mandlecha & Co., Chartered Accountants resigned from their post of the Statutory Auditor due to pre-occupation.
<b>N B T and Co,</b> Chartered Accountants, 201, 2 <sup>nd</sup> Floor, Mahindra M-Space, Off Aarey Road, Next to Meenatai Thackeray Blood Bank, Goregaon (W), Mumbai- 400 104, Maharashtra, India. <b>Telephone:</b> +91 897 660 0300 <b>Email:</b> nbtco@gmail.com <b>Firm Registration No.:</b> 140489W <b>Peer Review Certificate No.:</b> 013928	October 23, 2023	Statutory Auditor appointed to fill the casual vacancy caused on account of resignation of the <i>erstwhile</i> auditor.

## **BOOK BUILDING PROCESS**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation at least two working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.



Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager, in this case being Fast Track Finsec Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue, in this case being KFin Technologies Limited (formerly known as KFin Technologies Private Limited);
- The Escrow Collection Banks/ Bankers to the Issue; and
- The Designated Intermediaries and Sponsor bank.

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

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

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

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders 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. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

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 may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “**Issue Procedure**” beginning on page 266 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “**Issue Procedure**” on page 266 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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 Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Steps to be taken by the Bidders for Bidding:**

- Check eligibility for making a Bid (see section titled “**Issue Procedure**” on page 266 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

#### **Bid/Issue Program:**

Event	Indicative Dates
Anchor Period open/close	[●]
Bid/Issue Opening Date <sup>^</sup>	[●]
Bid/Issue 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 [●]

<sup>^</sup>Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company,

revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. Our Company shall follow the timelines provided under the aforementioned circular.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and National Stock Exchange of India Limited Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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

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

### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. 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. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh 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 with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment;

### **UNDERWRITING AGREEMENT**

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriters [•].

Pursuant to the terms of the Underwriting Agreement dated [•] entered into by Company, Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriters	No. of shares underwritten*	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
[●]	[●]	[●]	[●]

\*Includes [●] Equity shares of face value of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

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

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

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

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

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

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

1. The Market Maker 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 shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [●] Equity Shares of face value of ₹ 10/- each, ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares of face value of ₹ 10/- each would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.

9. 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.

10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

11. **Risk containment measures and monitoring for Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the National Stock Exchange of India Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.

12. **Punitive Action in case of default by Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case 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.

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

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

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

15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

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

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

<b>Issue Size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size)</b>
Above ₹80 Crore	12%	11%

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

## CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorised Share Capital out of which :</b>		
	50,00,000 Equity Shares having face value of ₹ 10/- each	500.00	-
B.	<b>Issued, Subscribed and Paid-up Share Capital before the Issue out of which</b>		
	28,55,000 Equity Shares having face value of ₹ 10/- each	285.50	-
C.	<b>Present Issue in terms of this Draft Red Herring Prospectus<sup>(1)</sup></b>		
	Issue of upto 10,21,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ [•] per Equity Share	[•]	[•]
	<b>Which comprises:</b>		
	[•] Equity Shares of face value of ₹ 10/- each at a price of ₹ [•] per Equity Share reserved as Market Maker Portion	[•]	[•]
	Net Issue to Public of [•] Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share to the Public	[•]	[•]
	<b>Of which<sup>(2)</sup>:</b>		
	Up to [•] Equity Shares of face value of ₹ 10/- each at a price of ₹ [•] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	[•]	[•]
	Up to [•] Equity Shares of face value of ₹ 10/- each at a price of ₹ [•] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	[•]	[•]
	Up to [•] Equity Shares of face value of ₹ 10/- each at a price of ₹ [•] per Equity Share will be available for allocation to Qualified Institutional Buyers	[•]	[•]
D.	<b>Paid-up Share Capital after the Issue</b>		
	[•] Equity Shares of ₹ 10/- each	[•]	
E.	<b>Securities Premium Account</b>		
	Before the Issue	110.70	
	After the Issue	[•]	

<sup>(1)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated April 15, 2024 and pursuant to a special resolution of our Shareholders at an Extraordinary General Meeting dated May 7, 2024 under Section 62(1)(c) of the Companies Act, 2013.

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under-subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

### Classes of Shares

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

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

The initial authorised capital of our Company was ₹ 5,00,000 (Rupees five lakhs only) divided into 50,000 Equity Shares of face value of ₹ 10/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
December 12, 2023	₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 each.	₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each.	EGM

## **NOTES TO THE CAPITAL STRUCTURE**

### **1) Share Capital History of our Company:**

#### **Equity Share Capital**

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

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
On Incorporation*	10,000	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	10,000	1,00,000
February 2, 2024	27,10,000	10	N.A.	Consideration other than cash	Bonus Issue in the ratio of two hundred seventy one (271) new equity shares for every one (1) Equity Shares held on February 2, 2024 <sup>(2)</sup>	27,20,000	2,72,00,000
March 11, 2024	1,35,000	10	92	Cash	Preferential Allotment <sup>(3)</sup>	28,55,000	2,85,50,000

\*The MoA of our Company was signed on December 27, 2017. However, our Company was incorporated on December 28, 2017.

<sup>(1)</sup> Subscription of to the MOA for the total of Equity Shares by Rupesh Pravinchandra Dalal (9,500 Equity Shares of face value of ₹ 10 each); and Pravinchandra Naginbhai Vaidya (500 Equity Shares of face value of ₹ 10 each).

<sup>(2)</sup> Bonus issue of 27,10,000 Equity Shares of face value of ₹ 10 each in the ratio of two hundred seventy one (271) new equity shares for every one (1) Equity Shares held on February 2, 2024 to following persons/ entities:

S. No.	Name of allottee	No. of shares allotted
1.	Rupesh Pravinchandra Dalal	16,53,100
2.	Sumesh Sajjankumar Parasrampur	1,40,920
3.	Vivek Jalan	1,40,920
4.	Arun Kumar Ganeriwala	1,40,920
5.	Sapna Agarwal	1,40,920
6.	Yagna Agarwal	1,40,920
7.	Bengal Tiger Capital Advisors LLP	67,750
8.	Tejas Pravinchandra Dalal	54,200
9.	Vishal Pravinchandra Dalal	40,650
10.	Harshil Rupesh Dalal	54,200
11.	Pravinchandra Nagindas Vaidya	1,08,400
12.	Harsha Pravinchandra Vaidya	27,100

<sup>(3)</sup> Preferential Allotment of 1,35,000 Equity Shares of face value of ₹ 10/- each to Nidhi Pankaj Nagar.

Except as disclosed in the chapter titled “Risk Factors – Risk Factor 45 - Our Company had undertaken a preferential allotment of Equity Shares which was not in compliance with certain requirements of the Companies Act, 2013” on page 44, we confirm that our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Draft Red Herring Prospectus.

### **2) Preference Share capital history of our Company**

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

### **3) Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:**

Except as set out below we have not issued equity shares for consideration other than cash:



Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
February 2, 2024	27,10,000	10	N.A.	Bonus Issue in the ratio of two hundred seventy one (271) new equity shares for every one (1) Equity Shares held on February 2, 2024	N.A.	Reserves & surplus

- 4) As of date of this Draft Red Herring Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
- 5) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- 6) Except as disclosed below, we have not issued any Equity Shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	Reason / Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Benefit accrued to Promoters and Promoter Group	Reason for Issue
March 11, 2024	Preferential Allotment	1,35,000	10	92	Nil	Routine business purposes, acquisitions and for smooth business functioning

## 7) Shareholding Pattern of our Company

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

Category (I)	Category of Shareholder (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 shares underlying depositary receipts (VI)	Total No. of shares held (VII) = (IV)+(V)++(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	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)	
(A)	Promoter and Promoter Group	6	19,44,800	-	-	19,44,800	68.12	19,44,800	19,44,800	68.12	-	-	-	-	-	-	19,44,800
(B)	Public	7	9,10,200	-	-	9,10,200	31.88	9,10,200	9,10,200	31.88	-	-	-	-	-	-	9,10,200
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depositary receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>13</b>	<b>28,55,000</b>	<b>-</b>	<b>-</b>	<b>28,55,000</b>	<b>100.00</b>	<b>28,55,000</b>	<b>28,55,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,55,000</b>

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares. The Equity Shares held by our Promoter and members of our Promoter Group are in dematerialized form.

8) **Other details of shareholding of our Company:**

- a) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 80% or more of the paid-up share capital and the number of shares held by them as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Issue Equity Share Capital
1.	Rupesh Pravinchandra Dalal	16,59,200	58.12
2.	Sumesh Sajjankumar Parasrampur	1,41,440	4.95
3.	Vivek Mahesh Jalan	1,41,440	4.95
4.	Arun Kumar Generiwala	1,41,440	4.95
5.	Sapna Agarwal	1,41,440	4.95
6.	Yagna Agarwal	1,41,440	4.95
7.	Bengal Tiger Capital Advisors LLP	68,000	2.38
8.	Tejas Pravinchandra Dalal	54,400	1.91
9.	Vishal P. Dalal	40,800	1.43
10.	Harshil Rupesh Dalal	54,400	1.91
11.	Pravinchandra Nagindas Vaidya	1,08,800	3.81
12.	Nidhi Pankaj Nagar	1,35,000	4.73
<b>Total</b>		<b>28,27,800</b>	<b>99.05</b>

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

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Issue Equity Share Capital
1.	Rupesh Pravinchandra Dalal	16,59,200	58.12
2.	Sumesh Sajjankumar Parasrampur	1,41,440	4.95
3.	Vivek Mahesh Jalan	1,41,440	4.95
4.	Arun Kumar Generiwala	1,41,440	4.95
5.	Sapna Agarwal	1,41,440	4.95
6.	Yagna Agarwal	1,41,440	4.95
7.	Bengal Tiger Capital Advisors LLP	68,000	2.38
8.	Tejas Pravinchandra Dalal	54,400	1.91
9.	Vishal Pravinchandra Dalal	40,800	1.43
10.	Harshil Rupesh Dalal	54,400	1.91
11.	Pravinchandra Nagindas Vaidya	1,08,800	3.81
12.	Nidhi Pankaj Nagar	1,35,000	4.73
<b>Total</b>		<b>28,27,800</b>	<b>99.05</b>

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

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Offer Equity Share Capital
1.	Rupesh Pravinchandra Dalal	6,100	61.00
2.	Sumesh Sajjankumar Parasrampur	2,850	28.50
3.	Tejas Pravinchandra Dalal	200	2.00
4.	Vishal Pravinchandra Dalal	150	1.50
5.	Harshil Rupesh Dalal	200	2.00
6.	Pravinchandra Nagindas Vaidya	400	4.00
7.	Harsha Pravinchandra Vaidya	100	1.00
<b>Total</b>		<b>10,000</b>	<b>100</b>

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

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Offer Equity Share Capital
1.	Rupesh Pravinchandra Dalal	9,500	95.00
2.	Pravinchandra Nagindas Vaidya	500	5.00
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

- e) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Red Herring Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Draft Red Herring Prospectus.
- 9) Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

#### 10) Shareholding of our Promoter

Set forth below are the details of the build-up of shareholding of our Promoter:

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares of face value of ₹ 10 each	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital
<b>Rupesh Pravinchandra Dalal</b>							
On Incorporation*	Subscriber to MOA	Cash	9,500	10	10	0.33	[●]
February 8, 2019	Transfer to Crisp Trade LLP	Cash	(7,500)	10	10	(0.26)	[●]
October 26, 2021	Transfer from Crisp Trade LLP	Cash	7,500	10	10	0.26	[●]
April 7, 2023	Transfer to Tejas Pravinchandra Dalal as Gift	NA	(200)	10	N.A.	(0.01)	[●]
April 7, 2023	Transfer to Vishal Pravinchandra Dalal as Gift	NA	(150)	10	N.A.	(0.01)	[●]
April 7, 2023	Transfer to Harshil Rupesh Dalal as Gift	NA	(200)	10	N.A.	(0.01)	[●]
April 7, 2023	Transfer to Sumesh Sajjankumar Parasrampuria	Cash	(2,850)	10	1,065	(0.10)	[●]
February 2, 2024	Bonus Issue in the ratio of two hundred seventy one (271) new equity shares for every one (1) Equity Shares held on February 2, 2024	Consideration other than cash	16,53,100	10	N.A.	57.90	[●]
<b>Total</b>			<b>16,59,200</b>			<b>58.12</b>	<b>[●]</b>
<b>Pravinchandra Nagindas Vaidya</b>							
On Incorporation*	Subscriber to MOA	Cash	500	10	10	0.01	[●]
April 7, 2023	Transfer to Vaidya Harsha Pravin as Gift	NA	(100)	10	N.A.	0.00	[●]
February 2, 2024	Bonus Issue in the ratio of two hundred seventy one (271) new equity shares for every one (1) Equity Shares held on February 2, 2024	Consideration other than cash	1,08,400	10	N.A.	3.80	[●]
<b>Total</b>			<b>1,08,800</b>			<b>3.81</b>	<b>[●]</b>

- 11) As on the date of the Draft Red Herring Prospectus, the Company has thirteen (13) members/shareholders.

- 12) The details of the Shareholding of the members of the Promoter Group as on the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares of face value of ₹ 10 each	% of Pre-Issue Equity Share Capital	Number of Equity Shares of face value of ₹ 10 each	% of Post-Issue Equity Share Capital
Promoters					
1.	Rupesh Pravinchandra Dalal	16,59,200	58.12	16,59,200	[●]
2.	Pravinchandra Nagindas Vaidya	1,08,800	3.81	1,08,800	[●]
Promoter Group					
3.	Tejas Pravinchandra Dalal	54,400	1.91	54,400	[●]
4.	Vishal Pravinchandra Dalal	40,800	1.43	40,800	[●]
5.	Harshil Rupesh Dalal	54,400	1.91	54,400	[●]
6.	Vaidya Harsha Pravin	27,200	0.95	27,200	[●]
Total		19,44,800	68.12	19,44,800	[●]

- 13) Our Promoter, Promoter Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Draft Red Herring Prospectus is filed with Stock Exchange.
- 14) There are no financing arrangements wherein the Promoter, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of the Draft Red Herring Prospectus.

**15) Promoters' Contribution and other Lock-In details:**

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

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

Following are the details of Minimum Promoters' Contribution:

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Issue paid-up capital	Period of lock-in
<b>Rupesh Pravinchandra Dalal</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>TOTAL</b>	[●]					[●]	
<b>Pravinchandra Nagindas Vaidya</b>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>TOTAL</b>	[●]					[●]	

\* Subject to finalisation of Basis of Allotment.

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

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

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

For details on the build-up of the Equity Share capital held by our Promoter, see "Shareholding of our Promoters" on page 76.

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

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters' contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoter upon conversion of a partnership firm;
- Equity Shares held by the Promoter that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.

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

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

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

#### ***Other requirements in respect of 'lock-in'***

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

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

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

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

- 16) Our Company, our Promoter, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 17) The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.

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

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares of face value of ₹ 10 each	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Rupesh Pravinchandra Dalal	16,59,200	58.12	16,59,200	[•]
2.	Pravinchandra Nagindas Vaidya	1,08,800	3.81	1,08,800	[•]
3.	Vishal Pravinchandra Dalal	40,800	1.43	40,800	[•]
	<b>Total</b>	<b>18,08,800</b>	<b>63.36</b>	<b>18,08,800</b>	[•]

- 29) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 30) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “**Issue Procedure**” beginning on page 266 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (1) of SEBI (ICDR) Regulations, as amended from time to time.
- 31) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

- 32) An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 33) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
- 34) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
- 35) As on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.



## **OBJECTS OF THE ISSUE**

The Issue comprises a fresh issue of up to 10,21,200 Equity Shares of face value of ₹ 10/- each, aggregating up to ₹ [●] lakhs by our Company.

The details of the proceeds from the Fresh Issue are summarised in the following table:

Particulars	Estimated amount (in ₹ lakhs)
Gross proceeds of the Issue	[●]
(Less) Issue expenses <sup>(1)</sup>	[●]
Net Proceeds <sup>(1)(2)</sup>	[●]

<sup>(1)</sup> For details with respect to issue related expenses, please refer to “- Issue Expenses” on page 96.

<sup>(2)</sup> To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### **Requirement of funds**

Our Company proposes to utilise the Net Proceeds towards funding the following objects (collectively referred to as the “Objects”):

1. Investment in our technology infrastructure and human resources towards development of the commodity platform of our Company;
2. Funding expenditure proposed to be incurred towards setting up of two branch offices and one customer care center;
3. Payment of security deposit to warehousing agents for booking warehouse spaces for executing contracts received on the commodity platform
4. Prepayment or repayment of all or a portion of certain loans availed by our Company; and
5. General corporate purposes

In addition, we expect to achieve the benefits of listing of the Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited which will result in the enhancement of our brand name and creation of a public market for our Equity Shares in India.

The main objects clause and the objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables us: (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds (including the activities for which the funds earmarked towards general corporate purposes shall be used)

### **Utilisation of Net Proceeds**

The Net Proceeds are proposed to be utilised in the manner set forth below:

Particulars	Estimated amount (in ₹ lakhs)
Investment in our technology infrastructure and human resources towards development of the commodity platform of our Company	Upto 339.52
Funding expenditure proposed to be incurred towards setting up of branch offices and customer care centers	Upto 117.24
Payment of security deposit to warehousing agents for booking warehouse spaces for executing contracts received on the commodity platform	Upto 40.00
Prepayment or repayment of all or a portion of certain loans availed by our Company	Upto 120.00
General corporate purposes <sup>(1)</sup>	[●]
<b>Total <sup>(1)</sup></b>	<b>[●]</b>

<sup>(1)</sup> To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes shall not exceed 25% of the gross proceeds from the Fresh Issue.

## Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

(in ₹ lakhs)

Particulars	Total estimated amount <sup>(2)</sup>	Estimated deployment of the Net Proceeds
		Fiscal 2025
Investment in our technology infrastructure and human resources towards development of the commodity platform of our Company	Upto 339.52	Upto 339.52
Funding expenditure proposed to be incurred towards setting up of branch offices and customer care centers	Upto 117.24	Upto 117.24
Payment of security deposit to warehousing agents for booking warehouse spaces for executing contracts received on the commodity platform	Upto 40.00	Upto 40.00
Prepayment or repayment of all or a portion of certain loans availed by our Company	Upto 120.00	Upto 120.00
General corporate purposes <sup>(1)</sup>	[●]	[●]
<b>Total<sup>(1)</sup></b>	<b>[●]</b>	<b>[●]</b>

<sup>(1)</sup> To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes shall not exceed 25% of the gross proceeds from the Issue.

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in this Draft Red Herring Prospectus are based on our current business plan, management estimates, prevailing market conditions and other commercial considerations. However, such fund requirements and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law.

Our Company proposes to deploy the entire Net Proceeds towards the Objects as per the schedule provided above. In the event that the estimated utilization is not completed as per the aforementioned schedule, due to the reasons stated above, such funds shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable law. Depending upon such factors, we may have to reduce or extend the utilisation period for any of the stated Objects beyond the estimated time period, at the discretion of our management, in accordance with applicable law. Further, such factors could also require us to advance the utilisation before the scheduled deployment as disclosed above towards any particular or all Objects. Subject to compliance with applicable laws, in case the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for funding other existing Objects, if necessary and/or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes does not exceed 25% of the gross proceeds of the Fresh Issue in accordance with the SEBI ICDR Regulations. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

For further details see “Risk Factor – Risk Factor 49 - We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance” on page 45.

The fund requirements mentioned above based on the internal management estimates of our Company and quotation received from third parties and have not been appraised by any bank, financial institution. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where

such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing. For further details see *“Risk Factor – Risk Factor 17 - The proposed objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials”* on page 34.

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds. In view of above, we confirm that, with respect to the Objects, our Company has made firm arrangement of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations, through verifiable means towards 75% of the stated means of finance, excluding the amount proposed to be raised through the Issue.

### **Means of Finance**

Our Company proposes to meet the entire requirement of funds for this proposed Object of the Issue from the Net Proceeds and internal accruals. Accordingly, our Company confirms that there is no requirement 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 Issue.

### **Deployment of Funds and Sources of Funds**

As on date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards the Objects of the Issue.

### **Details of the Object**

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

#### **1) *Investment in our technology infrastructure and human resources towards development of the commodity platform of our Company:***

Our Company is engaged in the commodities market, and offers a bouquet of services to customers proposing to procure or sell commodities either from the physical or the online commodities market. As part of our integrated services offerings, we offer an integrated cash and carry service across the commodity procurement value chain, including but not limited to, (i) price management solutions, in respect of physical commodities bought from the market; (ii) quality management solutions with secured warehousing at reasonable prices to store commodities; (iii) arranging for bill discounting or loan against warehousing receipts from qualified and regulated institutions at lowest possible interest rates; (iv) arranging for transportation delivery solutions through smart delivery transport partners; and (v) arranging for insurance for stock in warehouse and stock in transit, etc. We provide the cash and carry service either by offering consultancy services to third parties or by directly trading in commodities in the jurisdictions where we operate.

With an intent to digitalise the operations of our Company, in the year 2023, our Company created a digitally native, technology led platform to offer an interactive procurement, selling and execution services, across our various offerings to our customers. We had proposed to develop our platform in two phases, out of which the first phase has been completed by our Company. As part of our first phase, our Company has developed an interactive platform on our website, which can be accessed by our sellers, buyers and stockists by easily registering by making payment of a nominal fee and, upon verification, start using the platform through separate login ids. The platform has been equipped to facilitate interaction between end users/ processors for negotiation and execution of contract, procurement or selling of commodities at negotiated prices and placing service requests with us in respect of our cash and carry services. At present the platform has been equipped to be used by the buyers and sellers of commodities. Further, at present the platform provides options for placing buying and selling orders for a limited number of commodities and contract finalisation. The remaining functions, in respect of quality management, warehouse management, insurance, warehousing finance and logistics are undertaken physically by our employees and third party intermediaries.

Our software and website maintenance expenses aggregated to ₹ 19.40 lakhs during the period ended January 31, 2024, which include spends towards vendors and technology team.

We intend to continuously upgrade and improve our existing technology infrastructure. Product, data and technology form part of our core capabilities. As part of phase two, we propose to digitalise all of our operations of our cash and carry model and develop a mobile application, wherein the features of our platform would also be available on the phones of our customers and users. Through our mobile application we intend to provide omni-channel digital offerings, with fully integrated one click actions, through mobile, web and desktop versions. Accordingly, we intend to continue to invest and utilise upto ₹ 339.52 lakhs from the Net Proceeds towards developing, expanding and enhancing our

technological capabilities by (i) developing our website and mobile application; (ii) hiring of employees for operation and maintenance of technical infrastructure; and (iii) purchasing subscription of server for hosting the technical platform and mobile application.

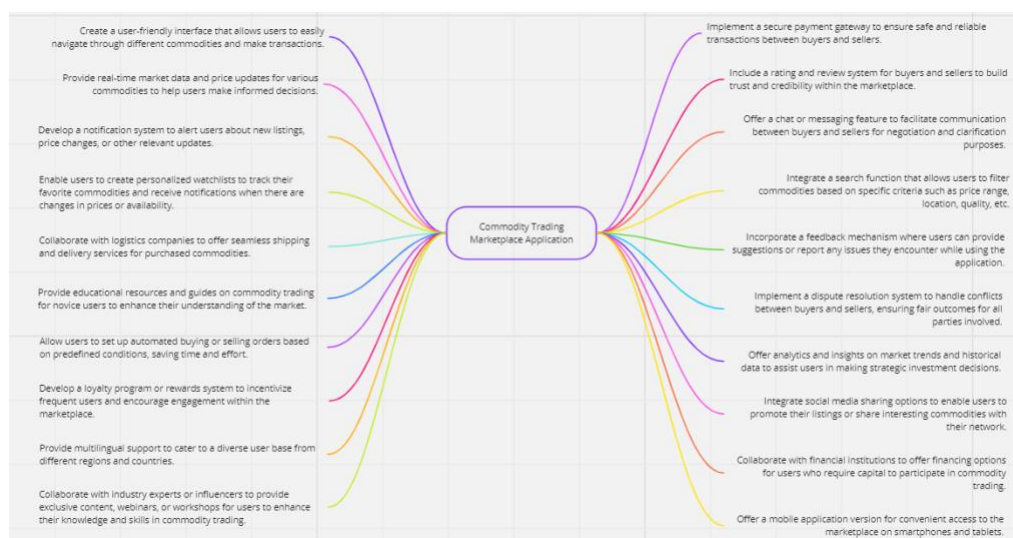
We intend to achieve the above, in the following manner:

#### Web Application and Mobile Application Development:

We intend to utilise a portion of the Net Proceeds of the Issue towards development of website and mobile application. We have obtained a quotation dated December 12, 2023 bearing reference number 0349 from Lavessta Enterprises Private Limited for developing the website and the mobile application on a turnkey basis. The validity of the aforementioned quote is until July 31, 2024. The quote received from Lavessta Enterprises Private Limited is referred to as the “**Technical Quote**”.

A summary of the services that shall be provided as per the Technical Quote have been provided below:

**Scope of Work:** The website shall include selling, buying, storage, quality assurance, transportation, financing and payments for all types and grades of commodities. It shall be a virtual online commodity market place that provides shared resources, its availability like Warehouses, Transport Fleet, Financing Companies, Buyers and Sellers for quick, reliable and transparent trade exchanges. A summary of the key functions that shall be added to the website/ technology platform have been provided below:



**Key Stakeholders:** The technology platform shall be developed in such a manner that it serves the following additional stakeholders:

**Warehouses:** Warehouse owners will leverage this platform to display their facilities along with location details. Commodity sellers could benefit from this online information to negotiate and finalize storage contracts based on mutual consent. Commodity sellers may also leverage warehouse facilities to receive and hold commodities till such time they are ready to deliver to their end customers.

**Insurance:** Onboard Insurance companies who can provide competitive insurance coverage from end-to-end trades of commodities.

**Transporters:** Various transporters can join the platform to leverage its association with various commodity buyers and sellers to provide transportation services. Transport providers would display their fleet information for commodity buyers and sellers to make a choice.

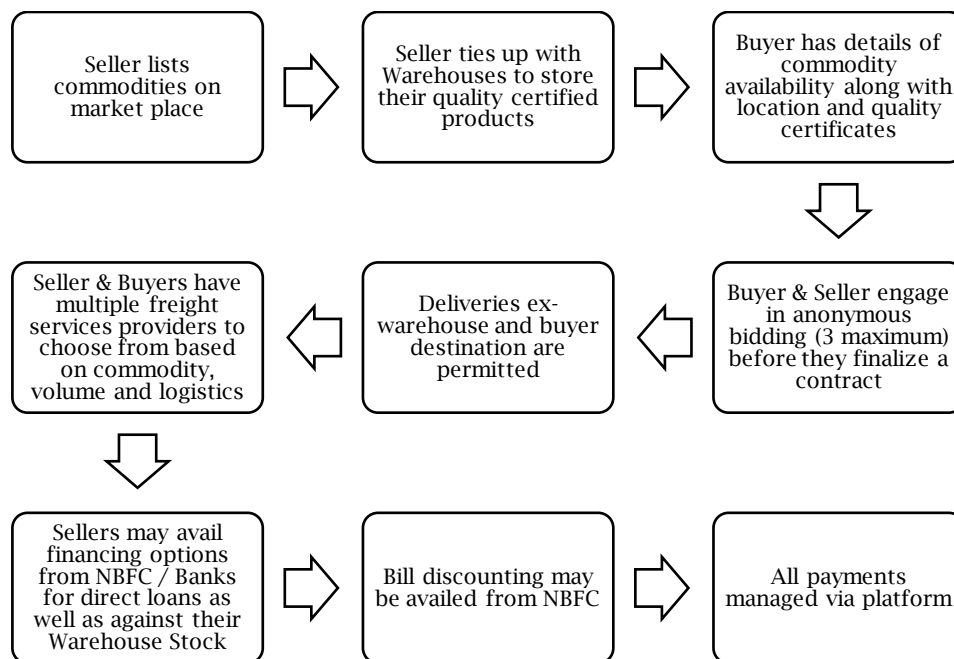
**Financer:** Our Company, owing to its association with various banks, offer warehousing finance to its customers. Through the platform, various banks and institutions can offer their services to all stakeholders for a quick method of financing. The financers would also be able to provide minimum details on the platform to help stakeholder reach out to them for their financing needs.

Prior to hosting the technical platform, our Company shall be executing formal arrangements with the aforementioned stakeholders. The arrangements would provide the manner of their onboarding, distribution of services, specification of details to be disclosed on the platform, manner of execution and the commission which shall be payable to our

Company, etc. Upon finalisation of these arrangements, Lavessta Enterprises Private Limited shall finalise the code which shall be run on the website and the mobile application in respect of the aforementioned stakeholders. This code will be finalised in consultation with our Company and the technical teams of the stakeholders who shall be onboarded.

***Indicative process of order execution on the website and mobile application:***

A brief process through which the intermediaries shall access the technology platform has been provided below:



***User interface on website and mobile application:***

The tabs and user interface specification which would appear on the website to support the above process have been provided below:

**Search Bar:**

- Located prominently at the top of the homepage
- Auto-suggest feature for quick search results
- Filter options displayed next to the search results for easy refinement

**Product Listing Page:**

- Clean and organized layout with clear product images and descriptions
- Filter options on the sidebar for price range, quantity, quality, etc.
- Add to cart button for each product listing

**Trade Page:**

- Summary of selected commodities with quantity and total price
- Option to update quantity or remove / reduce disqualified stock
- Payment processing

**Payment Gateway:**

- Secure and encrypted payment processing system
- Multiple payment options such as credit/debit cards, PayPal, etc.
- Confirmation page with order details and payment receipt

**Order Tracking:**

- a) Order status page with real-time updates on order processing, shipping, and delivery
- b) Tracking number provided for each order for easy monitoring
- c) Notification alerts for order status changes

**Seller Dashboard:**

- a) Personalized dashboard for sellers with sales analytics and inventory management tools
- b) Easy access to add new listings, update prices, and manage orders
- c) Communication tools for buyer inquiries and messaging

**User Reviews and Ratings:**

- a) Star rating system for user reviews on product pages
- b) Option to leave detailed feedback and comments
- c) Average rating displayed next to each product listing

**Price Tracking Feature:**

- a) Price change alerts for selected commodities

Overall, the user interface should be intuitive, user-friendly, and visually appealing to enhance the user experience on the online commodity trading platform.

The functional features of the website and the mobile application that shall be developed as part of the Technical Quote are as follows:

**User wants to sell a commodity:**

- a) User registration and profile creation for sellers
- b) Listing creation tool to add commodities for sale with details such as price, quantity, quality, etc.
- c) Option to set bidding or fixed prices for commodities
- d) Communication tools for buyers to inquire about listed commodities
- e) Inventory management system to track available commodities for sale
- f) Seller dashboard with analytics on sales performance and inventory status

**User wants to buy a specific commodity:**

- a) Search bar to easily find and browse for specific commodities
- b) Filter options to narrow down search results by price, quantity, quality, etc.
- c) Detailed product descriptions and images for each commodity listing
- d) Accept Bid/Offer easily and trade in desired commodities
- e) Secure third party payment gateway for online transactions
- f) Order tracking and status updates for purchased commodities

**User wants to compare prices of commodities:**

- a) Compare prices of similar commodities from different sellers
- b) Notification alerts for price drops or special offers on desired commodities
- c) User reviews and ratings for commodities to help make informed purchasing decisions
- d) Price tracking feature to monitor price changes for specific commodities
- e) Price prediction algorithms to forecast future price trends for commodities

The functional features of warehousing, insurance, finance and transportation shall be decided in consultation with the technical teams of the stakeholders who shall be onboarded post execution of formal arrangements between them and our Company.

As per the Technical Quote, Lavessta Enterprises Private Limited shall also be providing the following functions while developing the technology platform:

**Data Privacy:** The platform would comply with data protection regulations such as GDPR, ensuring user data is handled in accordance with privacy laws.

**Payment Security:** The platform would adhere to PCI DSS standards to ensure secure handling of payment information.

**Legal Compliance:** The platform would comply with all relevant laws and regulations governing online commodity trading, including tax laws and trade regulations.

**Relational Database:** A relational database management system (e.g., MySQL, PostgreSQL) will be used to store structured data such as user profiles, commodity listings, and transaction records.

**Cloud Storage:** Images of commodities, user profile pictures, and other multimedia content will be stored in cloud storage services (e.g., Amazon S3, Google Cloud Storage) for scalability and accessibility.

**Backup and Recovery:** Regular backups of the database and data stored in the cloud will be performed to ensure data integrity and enable quick recovery in case of data loss or system failures.

### ***Mobile Application:***

The features and process of using the mobile application shall be same as that of the website. The mobile application shall display similar options as the website, the difference would be that the options shall be seen on a mobile and not on a desktop. The mobile application shall be suitable for both Android & iOS platforms. This will ensure users are on top of their data and help expedite decision making on the move.

### ***Utilization from the Net Proceeds:***

As per the Technical Quote, the total cost of design, development and delivery of website and the mobile application would be ₹ 150.00 lakhs, exclusive of applicable taxes. Out of the total amount of ₹ 150.00 lakhs, an amount of ₹ 125.00 lakhs shall be charged for development of website and an amount of ₹ 25.00 lakhs shall be charged for development of mobile application.

We have not entered into any definitive agreements with Lavessta Enterprises Private Limited and there can be no assurance that Lavessta Enterprises Private Limited would be eventually engaged to develop our website and our mobile application. Our Promoters, Directors and KMPs have no interest in the proposed development of the technical platform and mobile application.

The quotation in relation to development of the technical platform is valid as on the date of this Draft Red Herring Prospectus. The quotation mentioned above is subject to applicable taxes. As on the date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards the Technical Quote. In the event that there is a shortfall of funds required for funding the technology development, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals/borrowings from financial institutions.

### **Hiring of employees for operation and maintenance of technical infrastructure:**

Upon completion of development of our technical platform and mobile application, we would require the relevant workforce, including but not limited to chief technical officer, product manager, business analyst, infra manager, *etc.*, to operate and maintain the website and mobile application.

Our Company has obtained a quotation from Oases Technovations Private Limited which provides a break up of the total estimated costs for hiring skilled professionals and technical staff for operating and maintaining the website and mobile application:

Sr. No.	Position Name	No. of Candidates required	Job Location	Exp. Range	Qualification	Skill set required	Budget (Yearly CTC in lakhs per annum)*	Total Budget (Yearly CTC in lakhs per annum)
1	CTO	1	Mumbai	8 to 10 Years	B.E., M. Tech	Exp. in Application & Digital Product Development, Should have exp. of Software Architecture	40	40
2	Product Manager	1	Mumbai	3 to 5 Years	MBA	Product Analyst must have experience in technology industry and should be able	12	12

Sr. No.	Position Name	No. of Candidates required	Job Location	Exp. Range	Qualification	Skill set required	Budget (Yearly CTC in lakhs per annum)*	Total Budget (Yearly CTC in lakhs per annum)
						to coordinate with all other internal departments		
3	Business Analyst	1	Mumbai	3 to 5 Years	B.E OR MBA	Business Requirement Information Collection, creating Business Requirement Document & Coordinating with application development team	10	10
4	Infra Manager	1	Mumbai	8 to 10 Years	B.E./MCA	Should have exp. In Hardware & Server Infrastructure management, Cloud and AWS platform	12	12
5	Communication manager	1	Mumbai	3 to 5 Years	MBA	Marketing communication, Digital Marketing	10	10
6	Software Developers	5	Mumbai	3 to 5 Years	B.E, MCA	Exp. in software development, Coding and Unit Testing	12	60
7	Front End Developers	3	Mumbai	1 to 2 years	B.E, MCA	Exp. in Frontend development, Coding, Managing User Interface /User Experience	6	18
8	Project Manager	1	Mumbai	3 to 5 Years	B.E, MCA	Should have Exp. in Project Management of Application Development, Customer Communication	12	12
<b>Estimated Total Yearly Budget (₹ in lakhs)</b>								<b>175.00</b>

*\*The quotation dated May 10, 2024 has been obtained by our Company from Oases Technovations Private Limited. The validity of the quotation mentioned above is for a period of 3 (three) months.*

We have not entered into any definitive agreements with Oases Technovations Private Limited and there can be no assurance that Oases Technovations Private Limited would be eventually engaged to hire skilled professionals and technical staff. Our Promoters, Directors and KMPs have no interest in the proposed procurements.

The quotation in relation to hiring of skilled and technical resources is valid as on the date of this Draft Red Herring Prospectus. The quotation mentioned above is subject to applicable taxes. Further, the absorption of a resource shall be subject to payment of additional absorption fee as mutually agreed between the parties. Such additional costs shall be funded from the Net Proceeds or through contingencies, if required. As on the date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards the funding of expenditure in relation to hiring of technical staff. In the event that there is a shortfall of funds required for hiring technical staff, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals/borrowings from financial institutions.

Purchase of subscription of server for hosting the technical platform and mobile application:

Our Company proposes to utilize an amount of ₹ 14.52 lakhs towards purchasing subscription of Microsoft Azure for a period of one year. Microsoft Azure is a cloud platform that provides products and cloud services. The server is used to build, run, and manage applications across multiple clouds, on-premises, and at the edge, with the tools and frameworks of one's choice.

Our Company has obtained the following monthly quote from the website of Microsoft Azure for the purpose of estimating the total costs involved in subscribing to the service:



Service category	Service type	Custom name	Region	Description	Estimated monthly cost	Estimated upfront cost
Databases	Azure SQL Database		Central India	Single Database, vCore, General Purpose, Provisioned, Standard-series (Gen 5), Locally Redundant, 1 - 2 vCore Database(s) x 730 Hours, 32 GB Storage, RA-GRS GB Storage, 0 GB Backup Storage, 3 x 5 GB Long Term Retention	₹33,043.31	₹0.00
Compute	Virtual Machines		Central India	1 D2 v3 (2 vCPUs, 8 GB RAM) x 730 Hours (Pay as you go), Windows (License included), OS Only; 0 managed disks – S4; Inter Region transfer type, 5 GB outbound data transfer from Central India to East Asia	₹11,978.11	₹0.00
Networking	Load Balancer		West India	Basic Load Balancer is free of charge	₹0.00	₹0.00
Networking	Azure DNS			Zone 1, DNS, Public; 0 hosted DNS zones, 0 DNS queries	₹0.00	₹0.00
Networking	IP Addresses		West India	Basic (Classic), 0 Dynamic IP Addresses X 730 Hours, 0 Static IP Addresses X 730 Hours	₹0.00	₹0.00
Networking	Load Balancer		West India	Basic Load Balancer is free of charge	₹0.00	₹0.00
Networking	Azure DNS			Zone 1, DNS, Public; 0 hosted DNS zones, 0 DNS queries	₹0.00	₹0.00
Networking	IP Addresses		West India	Basic (Classic), 0 Dynamic IP Addresses X 730 Hours, 0 Static IP Addresses X 730 Hours	₹0.00	₹0.00
Networking	Azure Firewall		West US	Standard tier, 1 Logical firewall units x 730 Hours, 0 GB Data processed	₹76,003.27	₹0.00
Support			<b>Support</b>		₹0.00	₹0.00
			<b>Licensing Program</b>	<b>Microsoft Customer Agreement (MCA)</b>		
			<b>Billing Account</b>			
			<b>Billing Profile</b>			
			<b>Total monthly cost</b>		<b>₹1,21,024.69</b>	<b>₹0.00</b>
			<b>Total Yearly cost (*12)</b>		<b>₹ 14,52,296.28</b>	

We have not entered into any definitive agreements with Microsoft Azure and have obtained the aforementioned quote from their website and is subject to applicable taxes. Therefore, there can be no assurance that Microsoft Azure would be eventually engaged to host the server. The quotation in relation to the server is valid as on the date of this Draft Red Herring Prospectus, however since the same has been obtained from the website of Microsoft Azure, it is subject to any revisions pursuant to the pricing policy of Microsoft Azure. In the event that there is a shortfall of funds required for funding the subscription charges, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals/borrowings from financial institutions.

As on the date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards subscription to the services provided by Microsoft Azure.

## 2) *Funding costs relating to setting up of two branch offices and one customer care center:*

In order to support the technical platform of our Company, we propose to set up two branch offices in Ahmedabad and Hyderabad and one customer care center in Mumbai.

In order support our technical platform, we intend to set up a customer care center, from where our teams shall (i) resolve the technical complaints registered by our customers; (ii) undertake execution of contracts and negotiation of prices between buyers and sellers; and (iii) undertake coordination with stakeholders to ensure that the contracts and orders are executed on time.

As of date of this Draft Red Herring Prospectus, our Company has branch offices in Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh, Maharashtra and Telangana. In order to support the proposed technology platform, we intend

to set up additional two branch offices in Ahmedabad and Hyderabad, from where our marketing teams shall market our platform and attract new buyers and sellers.

Accordingly, we intend to utilise upto ₹ 117.24 lakhs from the Net Proceeds towards funding costs relating to (i) rent and security deposit for obtaining a lease for branch offices and customer care centers; (ii) hiring technical staff to operate in the branch offices and customer care centers; and (iii) purchasing desktops, laptops and tablets for the staff. Details in relation to the above have been provided below:

### Rent

Our Company is currently seeking to acquire office spaces for setting up of branch offices and customer care centers on a leasehold basis. In pursuit of this objective, we have diligently solicited quotations from real estate agencies, with the intention of leasing these properties for our operational needs. We intend utilise the Net Proceeds to fund the costs relating to one-time security deposit and rental costs to be paid for a period of twelve months. The details of the quotations have been provided below:

S. No.	Address/Particulars of Property	Quotation Price	Quotation Date, reference number and validity	Name of the Realtor	Total Cost (₹ in lakhs)
<b>Customer Care Center</b>					
1.	Furnished property situated at Kandivali West with seating capacity of 20 people, with an area of 600 to 700 Sq. Ft	Rent per month: ₹ 1,20,000 to ₹ 1,40,000 <b>Total Rent: ₹ 16.80 lakhs</b>  Security deposit: ₹ <b>8.40 lakhs</b> (6 months of deposit)	<b>Date:</b> May 03, 2024 <b>Reference number:</b> 036 <b>Validity:</b> August 2, 2024	M/s. Prakash Estate	25.20
<b>Branch Offices</b>					
2.	Fully equipped and ready to use office space located at Triveni Shopping Complex, Shop No.5, 1 <sup>st</sup> Floor, Sainagar, Karimnagar, Telangana with an area of 350 Sq. Ft.  The office shall be equipped with manager cabin, cubicle 07 seaters with chairs, small conference hall which can accommodate 06 persons, reception and water dispenser	Rent per month: ₹ 20,000 <b>Total Rent: ₹ 2.40 lakhs</b>  Security deposit: ₹ <b>0.60 lakhs</b> (6 months of deposit)	<b>Date:</b> April 14, 2024 <b>Reference number:</b> KR MR/04/24/007 <b>Validity:</b> June 13, 2024	M/s. AR Interiors and Real Estate	3.00
3.	Furnished/Semi Furnished/Unfurnished property in Gandhidham Gujarat, with a seating capacity of 13 people and with an area of 340 Sq. Ft.	Rent per month: ₹ 25,000 <b>Total Rent: ₹ 3.00 lakhs</b>  Security deposit: ₹ <b>1.00 lakhs</b>	<b>Date:</b> May 3, 2024 <b>Reference number:</b> 055 <b>Validity:</b> August 2, 2024	M/s. Adishwar Consultancy	4.00
<b>Total Cost</b>					<b>32.20</b>

The Board of Directors of our Company have approved opening of branch offices and customer care centers pursuant to a resolution passed in their meeting held on May 7, 2024.

Further we have not identified the location at which any of our branch offices and customer care centers will be set up. Our Company along with the rental agencies shall be responsible for identifying the location at which the branch offices and customer care centers will be set up in different cities and coordinating for executing the lease agreement for the said location.

We have not entered into any definitive agreements with any of the rental agencies. Therefore, there can be no assurance that the aforementioned rental agencies would be eventually engaged. Further, the leasehold expenses are subject to market fluctuations owing to variation in the prices of real estate. In the event that there is a shortfall of funds required

for funding the leasehold expenses, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals/borrowings from financial institutions.

As on the date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards engaging any real estate agencies and executed lease agreements.

#### **Hiring technical staff to operate in the branch offices and customer care centers:**

Upon execution of lease agreements and setting up of branch offices and customer care centers, we would require the relevant workforce to provide after sale services and marketing services.

Our Company has obtained a quotation from Oases Technovations Private Limited which provides a break up of the total estimated costs for hiring skilled professionals and technical staff for our branch offices and customer care centers:

#### **Contact Centers**

Sr. No.	Position Name	No. of Position	Job Location	Exp. Range	Qualification	Skill set required	Budget (Yearly CTC in lakhs per annum)*	Total Budget (Yearly CTC in lakhs per annum)
1	Marketing/Content/PR Manager	2	Mumbai	2 to 3 Years	MBA	Content creation, Content Marketing	10 LPA	20 LPA
2	Customer Support - Manager	1	Mumbai	2 to 3 Years	B.E./MBA	Managing post-sales Customer Support,	6 LPA	6 LPA
3	Customer Support - Executive	6	Mumbai	2 Years	B.E./MBA	Managing Post sales, taking customer call and resolving tickets in time	3 LPA	18 LPA
<b>Estimated Total Yearly Budget (₹ in lakhs)</b>								<b>45.00</b>

*\*The quotation dated May 10, 2024 has been obtained by our Company from Oases Technovations Private Limited. The validity of the quotation mentioned above is for a period of 3 (three) months.*

#### **Branch Offices:**

Sr. No.	Position Name	No. of Position	Job Location	Exp. Range	Qualification	Skill set required	Budget (Yearly CTC in lakhs per annum)*	Total Budget (Yearly CTC in lakhs per annum)
1	Sales Managers	5	Supervision of all branches	3 Years	MBA	Experience in marketing and sales of agricultural commodities, collation of sales numbers and new customer acquisition	5 LPA	25 LPA
2	Feet On Street / Relationship manager	10	Supervision of all branches	1 to 3 years	MBA	Meet the customers on daily basis, and convince the customer to buy your product	2.5 LPA	25 LPA
<b>Estimated Total Yearly Budget (₹ in lakhs)</b>								<b>50.00</b>

*\*The quotation dated May 10, 2024 has been obtained by our Company from Oases Technovations Private Limited. The validity of the quotation mentioned above is for a period of 3 (three) months.*

We have not entered into any definitive agreements with Oases Technovations Private Limited and there can be no assurance that Oases Technovations Private Limited would be eventually engaged to hire skilled professionals and technical staff. Our Promoters, Directors and KMPs have no interest in the proposed procurements.

The quotation in relation to hiring of skilled and technical resources is valid as on the date of this Draft Red Herring Prospectus. The quotation mentioned above is subject to applicable taxes. Further, the absorption of a resource shall be subject to payment of additional absorption fee as mutually agreed between the parties. Such additional costs shall be funded from the Net Proceeds or through contingencies, if required. As on the date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards the funding of expenditure in relation to hiring of staff. In the event that there is a shortfall of funds required for hiring staff, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals/borrowings from financial institutions.

#### **Purchasing desktops, laptops and tablets for the technical staff:**

We intend to utilise a portion of the Net Proceeds towards purchasing hardware such as desktops, laptops and tablets. We have obtained quotations from various vendors for purchasing these devices, the details of which have been provided below:

Particulars	Details	Unit Price	No. of units	Total amount with GST	Name of supplier/vendor	Date, reference number and Validity of quotation
1.	Lenovo ThinkCentre Neo 50T – Intel Core i5-12400/8GB RAM/512GBSSD/Win11 Pro/Integrated Intel UHD Graphic 730/USB Keyboard + Mouse/19.5" Monitor/3yrs Warranty	49,000	7	4,04,740	Crystal Technologies System Private Limited	<b>Date:</b> May 03, 2024 <b>Quote Reference:</b> - CTS/Q/Aug/ST/2024-25/008 <b>Validity:</b> 90 days from quotation
2.	Lenovo ThinkPad E14 Gen 5 – Intel Core i7-1355U/8+8GB RAM/512GB SSD/Win11 Pro OEM/Integrated Intel Iris Xe Graphic/14" FHD Anti-glare/Wifi 6E AX211, 11ax 2x2 + BT 5.1/3Yrs Warranty	80,000	21	19,82,400	Crystal Technologies System Private Limited	<b>Date:</b> May 03, 2024 <b>Quote Reference:</b> - CTS/Q/Aug/ST/2024-25/007 <b>Validity:</b> 90 days from quotation
3.	Lenovo ThinkPad E14 Gen 4 – Intel i5-1235U/8GB RAM/512GB SSD/Win11 Pro/Wifi 6 AX201 2x2 AX Bluetooth 5.1/14" FHD/Intel UHD Graphics/3Yrs Warranty	61,000	9	6,47,820	Crystal Technologies System Private Limited	
4.	Lenovo P12ZACH0070IN Octa Core - MediaTek Dimensity 7050 Only Wifi 8GB RAM/128GB Storage upto 1TB/3K (2944 x 1840) 12.7" 8MP/13MP 10200mAh/Android 13	22,034	10	2,60,000	Crystal Technologies System Private Limited	<b>Date:</b> May 03, 2024 <b>Quote Reference:</b> - CTS/Q/Aug/ST/2024-25/009 <b>Validity:</b> 90 days from quotation
5.	HP 15s- FQ5190TU LAPTOP Model Intel Core I7 12th Generation Processor (Including18% GST) 16GB DDR4 Ram 512GB SSD Drive 15.6" FHD Led SCREEN Bluetooth/ Wi-Fi (Wireless LAN) HDMI Port /Web Camera Intel Iris Xe Graphics / Backlit KB, Thin & Light Windows 11 Licence Software MS Office Licence Software 1 Year Warranty	69,675	1	69,675	Shreeji Systems	<b>Date:</b> May 04, 2024 <b>Quote Reference:</b> - 255 <b>Validity:</b> July 4, 2024
6.	Computer Systems <ul style="list-style-type: none"> <li>Processor- Intel Core I5 11<sup>th</sup> Generation Processor (Box Pack)</li> <li>Mother Board- Intel H510 MH Gigabyte Mother Board</li> <li>RAM- 8GB DDR4 Crucail Random Access Memory</li> <li>SSD Drive- 240GB Crucial SSD Drive</li> <li>LED Screen- 18.5" (19M38A) LG LED Screen</li> <li>Keyboard &amp; Mouse- DELL Multimedia Keyboard &amp; Optical Mouse</li> <li>Cabinet with Dual Cooling Fan- ATX with 450W SMPS</li> </ul>	-	6	31,225	Shreeji Systems	<b>Date:</b> May 04, 2024 <b>Quote Reference:</b> - 252 <b>Validity:</b> July 4, 2024

Particulars	Details	Unit Price	No. of units	Total amount with GST	Name of supplier/vendor	Date, reference number and Validity of quotation
7.	Lenovo NEO 50S Desktop System  1. Intel core I5 12 Th Generation Processor 8GB DDR4 Ram 512GB NVME SSD Drive Wired Keyboard with wire optical mouse cabinet with SMPS	-	1	41,775	Shreeji Systems	<b>Date:</b> May 04, 2024 <b>Quote Reference:</b> - 247 <b>Validity:</b> July 4, 2024
8.	LENOVO TAB P11(Gen 2) ZABG0285IN MediaTek Helio G99 Octa Core WiFi + LTE 6GB 128GB Upto 1TB 2K (2000 * 1200) 11.5" 8MP 13MP 770 mAh Android 12	-	1	19,775	Shreeji Systems	<b>Date:</b> May 04, 2024 <b>Quote Reference:</b> - 260 <b>Validity:</b> July 4, 2024
9.	Lenovo V15 Laptop Model Intel core I5 12 <sup>th</sup> Generation Processor 8GB DDR4 Ram 512GB SSD Drive 15.6" LED Screen Wi-Fi (Wireless LAN)/ Bluetooth HDMI Port/ Web Camera  Carry Bag	-  0.01	1  1	46,100  650	Shreeji Systems	<b>Date:</b> May 04, 2024 <b>Quote Reference:</b> - 257 <b>Validity:</b> July 4, 2024
<b>Total</b>				<b>35,04,160</b>		

We have not entered into any definitive agreements with any of the agencies. Therefore, there can be no assurance that the aforementioned agencies would be eventually engaged. As on the date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards purchase of hardware.

**3) Payment of security deposit to warehousing agents for booking warehouse spaces for executing contracts received on the commodity platform:**

In order to ensure effective and timely execution of contracts through our technology platform, we intend to book warehouse spaces in different cities for our customers, by paying security deposit to GoGreen Warehouse Private Limited. We propose to utilise an amount upto ₹ 40.00 lakhs towards booking warehouse space with GoGreen Warehouse Private Limited. Our Company has obtained a quotation dated May 2, 2024 with GoGreen Warehouse Private Limited which is valid until May 1, 2025 for booking the following warehousing spaces:

State	Preferred Cities/Regions	Probable Commodities	Sq Ft	Tonnage Use	Tentative rate per month
Gujrat	Rajkot	Castor Seed, Cotton Bales	6000	1000	Castor Seed (75 per MT), Cotton (30 per bales)
	Gondal	Bengal Gram, Coriender, Chana Dal	15000	2500	Pulses (80 per MT), Cotton (30 per bales)
	Gandhidham	Maize, Cotton Bales, Cotton Seed Oil Cake	6000	1000	Pulses (150 per MT), Coriander (200 per MT)
	Kadi	Cotton Seed Oil Cake	3000	500	COC (80 per MT)
	Unjha	Jeera, Isabgol	18000	3000	Jeera (150 per MT)
Maharashtra	Akola	Bengal Gram, Chana Dal, Cotton Seed Oil Cake	6000	1000	Pulses (90 per MT), Cotton (35 per MT), COC (90 per MT)
	Yavatmal	Toor, Cotton Bales	7800	1300	Pulses (90 per MT), Cotton (35 per MT)
	Latur	Bengal Gram, Soyabean, Soyabean Meal, Chana Dal	12000	2000	Pulses (90 per MT)
	Aurangabad	Cotton Bales, Sugar	6000	1000	Pulses (90 per MT), Cotton (35 per MT), Sugar (90 per MT)
	Jalgaon	Maize, Cotton Bales, Turmeric	6000	1000	Maize (90 per MT), Sugar (80 per MT), Turmeric (150 per MT)
Rajasthan	Bikaner	Bengal Gram, Chana Dal, Guar gum, Guar Seed, Bajra	15000	2500	Pulses (90 per MT), Sugar (80 per MT), Guar gum (90 per MT), Bajra/barley (90 per MT)

State	Preferred Cities/Regions	Probable Commodities	Sq Ft	Tonnage Use	Tentative rate per month
	Sri Ganganagar	RM Seed, Barley, Bajra, Rape Seed Meal	7200	1200	Pulses (90 per MT), Sugar (80 per MT)
	Jodhpur	Guargum, Guar Seed, Jeera	3000	500	Bajra/barley (90 per MT), Jeera (150 per MT)
	Kota	Coriender, Barley, Moth	18000	3000	Jeera (150 per MT), Bajra/barley (90 per MT), Moth (90 per MT)
	Baran	RM Seed, Moong Dal	6000	1000	Mustard (80 per MT), Pulses (90 per MT)
MP	Indore	Kabuli Chana, Soyabean, Soyabean Meal	12000	2000	Pulses (90 per MT), Soyabean complex (90 per MT)
	Guna	Urad	6000	1000	Pulses (90 per MT)
	Bhopal	Chana, Soyabean	6000	1000	Pulses (90 per MT)
	Ujjain	Wheat, Chana, Soyabean	15000	2500	ALL(100 per MT)
	Sendhwa	Cotton Bales, Soyabean	6000	1000	Cotton (35 per MT), Soyabean (90 per MT)
UP	Barabanki	Wheat, Mentha Oil	7200	1200	Wheat (90 per MT)
	Mathura	Wheat	6000	1000	Wheat (90 per MT)
	Kanpur	Paddy	6000	1000	Wheat (90 per MT)
Bihar	Gulabbag	Maize	6000	1000	Wheat (90 per MT)
	Sasaram	Maize	7200	1200	Wheat (90 per MT)
Andhra Pradesh	AshokNagar	Toor, Cotton Bales	12000	2000	Pulses (90 per MT), Cotton Bales (35 per bales)
	Guntur	Cotton Bales, Cotton Seed Oil Cake, Red Chilli	18000	3000	COC (90 per MT to 100 per MT)
	Vijayawada	Chilli, Turmeric, Cotton Bales	7200	1200	COC (90 per MT to 100 per MT)
Telangana	Karim Nagar	Cotton Seed Oil Cake	9000	1500	COC (100 per MT)

#### 4) Prepayment or repayment of all or a portion of certain loans availed by our Company

Our Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include, *inter alia*, unsecured loans, term loans and working capital facilities. For further details, please refer “*Financial Indebtedness*” on page 219.

As at January 31, 2024, our total outstanding borrowings amounted to ₹ 168.35 lakhs. Our Company proposes to utilise an estimated amount of upto ₹ 120.00 lakhs from the Net Proceeds towards pre- payment or scheduled repayment of all or a portion of certain loans availed by our Company.

We believe that the pre-payment or scheduled repayment will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The following table provides details of loans and facilities as at May 15, 2024, which are proposed to be pre-paid or partly or fully repaid by our Company from the Net Proceeds:

S. No.	Name of the entity	Outstanding loans (in Rs. Lakhs)	Purpose of availing loans	Interest rate (%) P.A	Whether repayable on demand	Prepayment penalties, if any	Important terms of the loans
	<b>SECURED LOANS</b>						
1	RBL Bank Ltd- Lap	83.15	Business Purpose	9.25%	No	Refer note 1	180 Month
2	Indostar Capital Finance Limited	43.05	Working Capital	12.50%	No	Refer note 2	180 Month
	<b>UNSECURED LOANS</b>						
3	Bajaj Finserv	11.43	Business Purpose	17.75%	No	-	60 Month

S. No.	Name of the entity	Outstanding loans (in Rs. Lakhs)	Purpose of availing loans	Interest rate (%) P.A	Whether repayable on demand	Prepayment penalties, if any	Important terms of the loans
	<b>SECURED LOANS</b>						
4	Aditya Birla Finance	17.61	Business Purpose	18.00%	No	-	36 Month

#### Prepayment penalties, if any

##### Note 1-

4% on part- payment amount/principle outstanding

Note: the part payment charges are not applicable to facility sanctioned to MSEs with

- Floating interest rate loans irrespective of the loan amount
- Fixed interest rate loans upto INR 50 Lakhs loan amount.

##### Note 2-

Part Prepayment is within 12 months (from the date of 1st disbursement)	Upto 25% of POS- Nil >25% of POS- 4% + GST
Part Prepayment is after expiry of 12 months but before the expiry of 24 month (from the date of 1st disbursement)	Upto 25% of POS- Nil >25% of POS- 3% + GST
Part Prepayment is after expiry of 24 months but before the expiry of 48 month (from the date of 1st disbursement)	Upto 25% of POS- Nil >25% of POS- 2% + GST
Part Prepayment is after expiry of 48 month (from the date of 1st disbursement)	Nil

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, our Company has obtained the requisite certificate dated June 29, 2024 for the loans to be prepaid by our Company.

For further details in relation to our borrowings, please see “*Financial Indebtedness*” on page 219.

Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals or out of the Net Proceeds as may be decided by our Company.

Given the nature of the above-mentioned borrowing and the terms of repayment, the aggregate outstanding borrowing amounts which we propose to repay may vary from time to time. In light of the above, if at the time of filing this Draft Red Herring Prospectus or after that date, the above – mentioned loan may be repaid in part or full or refinanced and our Company may also avail additional borrowings and/or draw down further funds under existing loans from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹ 250 lakhs. Accordingly, the table above shall be suitably revised at the time of filing of the Red Herring Prospectus to reflect the revised amounts or loans as the case may be which have been availed by our Company.

In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, redeemed (earlier or scheduled), refinanced or further drawn down prior to the completion of the Issue, we may utilize Net Proceeds towards prepayment and/or repayment of such additional indebtedness availed by us, details of which shall be provided in the Red Herring Prospectus.

## 5) General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] lacs towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds of the Issue, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- strategic initiatives;
- general procurement;
- brand building and strengthening of marketing activities; and

- d) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

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

### Issue Related Expenses

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

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

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

Notes:

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

- ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) - Rs 10/- per application on wherein shares are allotted.
- Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) – Rs 10/- per application on wherein shares are allotted
- Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 10/- per application on wherein shares are allotted
- Sponsor Bank shall be payable processing fees on UPI application processed by them - Rs 10/- per application on wherein shares are allotted
- No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
- Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.
- Offer Expenses other than the listing fees shall be shared among our Company and the Selling Shareholder on a pro rata basis, in proportion to the Equity Shares Allotted

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

### Interim Use of Funds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

### Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.



**Monitoring of Utilisation of Funds**

In accordance with Regulation 262 of the SEBI ICDR Regulations, since the Net Proceeds do not exceed ₹ 10,000.00 lakhs, appointment of monitoring agency is not applicable.

**Variation in Objects of the Issue**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue unless our Company is authorised to do so by way of a special resolution of its Shareholders through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, one in Hindi and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, at a price and in such manner as may be prescribed by SEBI in Regulation 290 and Schedule XX of the SEBI ICDR Regulations.

**Appraising Entity**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution or any other agency.

**Other Confirmations**

No part of the Net Proceeds will be paid to our Promoter, Promoter Group, Directors, our Group Companies or our Key Managerial Personnel and Senior Management, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, or our Group Companies in relation to the utilisation of the Net Proceeds.

## **BASIS FOR ISSUE PRICE**

Investors should also refer to “Our Business”, “Risk Factors”, “Restated Financial Information”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Other Financial Information” on pages 125, 25, 174, 222 and 218, respectively, to have an informed view before making an investment decision.

### **Qualitative Factors**

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are: Integrated service portfolio with in-house technology solutions, Asset-light business model, Collaborative warehousing, insurance, finance and logistical counterparties and well experienced management team with proven track record. For further details, see “Our Business –Strengths” on page 132.

### **Quantitative Factors**

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see “Restated Financial Statements” on page 174.

Some of the quantitative factors which may forms the basis for calculating the Issue Price are as follows:

#### **I. Basic and Diluted Earnings per share (“EPS”), as adjusted for changes in capital**

<b>Fiscal</b>	<b>Basic EPS (in ₹)</b>	<b>Diluted EPS (in ₹)</b>	<b>Weight</b>
March 31, 2023	1.25	1.25	3
March 31, 2022	0.30	0.30	2
March 31, 2021	(0.11)	(0.11)	1
<b>Weighted Average</b>		<b>0.71</b>	
Ten months period ended January 31, 2024*	6.72	6.72	

\*Not Annualized

#### **Notes:**

- (1) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights
- (2) Basic Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of equity shares outstanding during the period/year, read with note 1 above
- (3) Diluted Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of diluted equity shares outstanding during the period/year, read with note 1 above
- (4) Earnings per Share calculations are in accordance with the notified Accounting Standard 20 ‘Earnings per share’. The face value of equity shares of the Company is ₹ 10/-.
- (5) The figures disclosed above are based on the Restated Financial Statements.
- (6) **The Company had issued 27,10,000 Equity Shares of face value of ₹ 10/- each on February 02, 2024, through a bonus share issue in the ratio of 271:1 to all existing shareholders of the Company such bonus issuance have been considered while deriving at Basic and Diluted Earnings per Equity Share.**

#### **II. Price/Earning (“P/E”) ratio in relation to price band of Rs. [●] to Rs. [●] per Equity Share::**

<b>Particulars</b>	<b>P/E at the lower end of the Price Band (no. of times)</b>	<b>P/E at the higher end of the Price Band (no. of times)</b>
Based on basic EPS for Fiscal 2023	[●]	[●]
Based on diluted EPS for Fiscal 2023	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated	[●]	[●]

\*Will be included in the Prospectus

#### **III. Industry Peer Group P/E ratio**

We believe that there are no listed entities of comparable size and business model, which is comparable with our business.

#### IV. Return on Networth (“RoNW”)

Fiscal Year ended	RoNW (%)	Weight
March 31, 2023	35.15%	3
March 31, 2022	13.20%	2
March 31, 2021	-5.55%	1
<b>Weighted Average</b>	<b>21.05%</b>	
Ten months ended January 31, 2024*	65.48%	

\*Not Annualised

#### Notes:

- (1) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.
- (2) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year.
- (3) 'Net worth': Equity Share capital and other equity less capital reserves

#### V. Net asset value per Equity Share (face value of ₹ 10/- each)

Particulars	NAV per equity share (₹)*
As on January 31, 2024	10.26
As on March 31, 2023	3.54
<b>After the Completion of the Issue:</b>	
- At Issue Price <sup>(2)</sup>	[●]

#### Notes:

- (1) The figures disclosed above are based on the Restated Financial Statements of the Company.
- (2) NAV per share=Restated Net worth at the end of the year/period divided by weighted average number of equity shares outstanding at the end of the year/period
- (3) Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- (4) The Company had issued 27,10,000 Equity Shares of face value of ₹ 10/- each on February 02, 2024, through a bonus share issue in the ratio of 271:1 to all existing shareholders of the Company such bonus issuance have been considered while deriving at Net asset value per Equity Share.

#### VI. Comparison of accounting ratios with listed industry peers

We believe that there are no listed entities of comparable size and business model, which is comparable with our business.

The trading price of the Equity Shares could decline due to the factors mentioned in the section “Risk Factors” on page 25 and any other factors that may arise in the future and you may lose all or part of your investments.

#### KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Standalone Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 29, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. N B T and Co, Chartered Accountants, by their certificate dated June 29, 2024.

The KPIs of our Company have been disclosed in the sections “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 125 and 222, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 6.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price.

**Some of the key performance indicators which may form the basis for computing the Issue Price are as follows:**

*(in ₹ Lakhs, unless otherwise stated)*

Key Performance Indicators	As at and for the Ten months period ended on January 31, 2024*	As at and for the financial year ended on March 31, 2023	As at and for the financial year ended on March 31, 2022	As at and for the financial year ended on March 31, 2021
Revenue from Operations <sup>(1)</sup>	1,657.99	6,680.41	1,001.27	312.60
EBITDA <sup>(2)</sup>	219.95	57.09	12.08	21.33
EBITDA Margin <sup>(3)</sup>	13.27%	0.85%	1.21%	6.82%
Profit After Tax for the Year / Period <sup>(4)</sup>	182.81	33.88	8.25	(3.01)
PAT Margin <sup>(5)</sup>	11.03%	0.51%	0.82%	(0.96)%
ROE <sup>(6)</sup>	97.35%	42.64%	14.14%	(5.40)%
ROCE <sup>(7)</sup>	70.60%	35.48%	15.24%	32.92%
Net Debt/ EBITDA <sup>(8)</sup> (times)	0.50	3.30	3.93	(0.04)
Debt Equity Ratio <sup>(9)</sup> (times)	0.51	3.92	1.58	0.44
Debt Service coverage Ratio <sup>(10)</sup>	3.81	0.20	0.23	0.05
Inventory Turnover Ratio <sup>(11)</sup>	41.70	57.54	11.60	Nil
Trade Receivable Ratio <sup>(12)</sup>	8.02	41.21	8.62	2.55
Trade Payable Ratio <sup>(13)</sup>	10.19	28.20	4.24	0.76
Net Capital Turnover Ratio <sup>(14)</sup>	13.91	55.91	17.90	(246.72)
Return on Investment <sup>(15)</sup>	23.19%	4.45%	1.38%	(1.54)%

\*Not annualized for the ten month period ended January 31, 2024

Notes:

1. Revenue from Operations means Revenue from Traded goods, sale of services and other operating income.
2. EBITDA is calculated as restated profit before tax, exceptional items plus finance costs, depreciation and amortization expense minus other income
3. EBIT means Earnings before interest and tax, and is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance cost.
4. EBITDA Margin is calculated as EBITDA as a percentage of Revenue from operations.
5. PAT Margin is calculated as profit after tax for the year / period as a percentage of Revenue from operations.
6. Return on Equity (ROE) is calculated as profit after tax for the year/period divided by average Shareholder's Fund.
7. Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total current liabilities as at the end of the period/year.
8. Net Debt/ EBITDA: Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances as at the end of the period/year divided by EBITDA
9. Debt Equity Ratio: Debt Equity Ratio is calculated as Total Borrowing as at the end of the period/year divided by Shareholder's Fund.
10. Debt Service Coverage Ratio: Earnings for debt service = Net profit after taxes plus Non-cash operating expenses plus Interest expense divided by Debt service = Interest plus principal repayments.
11. Inventory Turnover Ratio: Inventory Turnover Ratio is calculated as Revenue from Operations divided by Average Inventory
12. Trade Receivable: Trade Receivable is calculated as Net Credit Sales divided by Average trade receivables.
13. Trade Payable: Trade Payable is calculated as purchases of raw material divided by Average trade payables.
14. Net Capital Turnover Ratio: Net Capital Turnover Ratio is calculated as Net Sales divided by Working capital = Current assets – Current liabilities
15. Return on investment: Return on investment is calculated as Net profit after tax divided by Total Asset.

We shall continue to disclose these KPIs, on a half-yearly basis, for a duration that is at least the later of (i) three years after the listing date; and (ii) the utilization of the issue proceeds disclosed in the objects of the issue section of the Prospectus. We confirm that the ongoing KPIs would be certified by the statutory auditor of the Issuer Company.

#### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.

KPI	Explanations
EBITDA (₹ in Lakhs)	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.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Debt/ EBITDA (In Times)	Net Debt by EBITDA is indicator of the efficiency with which our Company is able to leverage its debt service obligation to EBITDA.
Debt Equity Ratio (times)	Debt to Equity Ratio is used to measure the financial leverage of our Company
Debt Service coverage Ratio	Debt Service coverage Ratio used to assess Company's ability to generate enough cash to cover its debt service obligations, such as interest, principal.

#### WEIGHTED AVERAGE COST OF ACQUISITION:

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

There have been no issuance of Equity Shares, excluding shares issued as 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% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days.

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

Other than as mentioned below, there have been no secondary sale / acquisitions of Equity Shares or convertible securities, 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 Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of 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.

Date of Transaction	No. of Equity Shares Transacted	No. of Equity Shares Transacted as adjusted for Bonus	Face value per Equity Share (₹)	Transaction price per Equity Share (₹)	Transaction price per Equity Share (₹) as adjusted for Bonus	Reason / Nature of allotment	Nature of consideration	Total Consideration (in Rs. Lakhs)
April 07, 2023	2,850	7,72,350	10	1,065	3.93	Transfer	Cash	30.35

**c) Price per share based on the last five primary or secondary transactions;**

Since there are no transactions to report to under (a) or (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s), not older than 3 years prior to the date of this Draft Red Herring Prospectus, irrespective of the size of transactions is not required, are not applicable.

**d) Weighted average cost of acquisition and floor price and cap price:**

Types of transactions	Weighted average cost of acquisition (₹ per Specified Security)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary issuance	Not Applicable	[●] times	[●] times
Weighted average cost of acquisition of secondary issuance	3.93	[●] times	[●] times

\* To be updated at Prospectus stage.

**Explanation for Issue Price/ Cap Price being [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) along with our Company's key performance indicators and financial ratios for the period March 2023, 2022 and 2021.**

[●]\*

**Explanation for Issue Price/ Cap Price being [●] times price of face value.**

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the LM, on the basis of market demand from investors for Equity Shares through the book building method and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with “*Risk Factors*”, “*Our Business*”, “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” and “*Financial Information*” on pages 25, 125, 222 and 174 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” on page 25 and you may lose all or part of your investment.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To  
**The Board of Directors**  
**Tirshil Algocomm Technologies Limited**  
F69, Xth Central Shopping Centre,  
Mahavir Nagar, Kandivali West,  
Mumbai - 400 067, Maharashtra, India

Dear Sir/Madam,

**Sub: Proposed initial public offering of equity shares of face value Rs. 10 each ("Equity Shares") by Tirshil Algocomm Technologies Limited ("Company") (referred to as the "Issue").**

We, N B T and Co, Chartered Accountants, have been informed that the Company proposes to file the Draft Red Herring Prospectus with respect to the Issue (the "**DRHP**") with National Stock Exchange of India Limited ("**NSE**") in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") and subsequently (i) proposes to file a Red Herring Prospectus with the SEBI, NSE and the Registrar of Companies, Maharashtra at Mumbai ("**Registrar of Companies**") and such Red Herring Prospectus, the "**RHP**"; (ii) proposes to file a Prospectus with the SEBI, NSE and the Registrar of Companies (the "**Prospectus**"); and (iii) issue any other documents or materials in relation to the Issue (such documents or materials collectively with the DRHP, RHP and Prospectus, the "**Issue Documents**").

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders or its Subsidiary, so it does not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein 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 is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (the "Issue") by the Company.

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

- i. Company or its shareholders or its Subsidiary will continue to obtain these benefits in future; or
- ii. The conditions prescribed for availing the benefits has been/ would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, 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. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours Sincerely,  
**For N B T and Co**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 140489W**

Sd/-  
**CA. Yash Dhamecha**  
**Partner**  
**Membership No.: 626666**  
**Place: Mumbai**  
**Date: June 29, 2024**  
**UDIN: 24626666BKLSYX6442**

*Encl:*

**Annexure I:** Statement of possible special tax benefits available to the Company and to the shareholders of the Company under applicable direct and indirect laws

**CC:**

<b>Book Running Lead Managers</b>	<b>Legal Counsel to the Issue</b>
<b>Fast Track Finsec Private Limited</b> Office No. V-116, First Floor New Delhi House, 27, Barakhamba Road, New Delhi-110 001, Delhi, India.	<b>T&amp;S Law</b> Unit Number 15, Logix Technova, Block B, Sector 132, Noida - 201 304, Uttar Pradesh, India.



## Annexure A

The information provided below sets out the possible special tax benefits available to the Company, the Equity Shareholders and its Subsidiary under the Income Tax Act 1961 and under the Goods and Service Tax Act, 2017 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 a 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.**

### A. SPECIAL TAX BENEFITS TO THE COMPANY

There are no Special tax benefits available to the Company.

### B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

There are no Special tax benefits available to the shareholders of the Company.

Note:

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.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

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 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**

#### **GLOBAL ECONOMY**

More than three years after the global economy suffered the largest shock of the past 75 years, the wounds are still healing, amid widening growth divergences across regions. After a strong initial rebound from the depths of the COVID-19 pandemic, the pace of recovery has moderated. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, Russia's war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events. Despite signs of economic resilience earlier this year and progress in reducing headline inflation, economic activity is still generally falling short of pre-pandemic (January 2020) projections, especially in emerging market and developing economies.

The strongest recovery among major economies has been in the United States, where GDP in 2023 is estimated to exceed its pre-pandemic path. The euro area has recovered, though less strongly—with output still 2.2 percent below pre-pandemic projections, reflecting greater exposure to the war in Ukraine and the associated adverse terms-of-trade shock, as well as a spike in imported energy prices. In China, the pandemic-related slowdown in 2022 and the property sector crisis contribute to the larger output losses of about 4.2 percent, compared with pre-pandemic predictions. Other emerging market and developing economies have seen even weaker recoveries, especially low-income countries, where output losses average more than 6.5 percent. Higher interest rates and depreciated currencies have exacerbated the difficulties of low-income countries, placing more than half either at high risk of distress or already in distress. Overall, global output for 2023 is estimated at 3.4 percent (or about \$3.6 trillion in 2023 prices) below pre-pandemic projections. Private consumption has also recovered faster in advanced economies than in emerging market and developing economies, owing to an earlier reopening in the former group facilitated by greater availability of effective vaccines, stronger safety nets, more ample policy stimulus, and greater feasibility of remote work. These factors supported livelihoods during the pandemic, and household consumption is now broadly back to pre-pandemic trends. Among advanced economies, private consumption has been stronger in the United States than in the euro area, with households receiving larger fiscal transfers early in the pandemic and spending the associated savings more quickly; being better insulated from the rise in energy prices resulting from the war in Ukraine; and feeling relatively confident amid historically tight US labor markets, which have supported real disposable incomes.

Among emerging market and developing economies, the consumption shortfall is particularly large in China, reflecting tight restrictions on mobility during the COVID-19 crisis. Divergences in labour market performance across regions broadly mirror those for output and consumption. Employment and labour participation rates are estimated to exceed prepandemic trends in advanced economies but to remain significantly below them in emerging market and developing economies, reflecting more severe output losses and much weaker social protection. Countries that had the most limited fiscal space are also those where employment shortfalls are the largest (ILO 2023). Among advanced economies, the euro area has seen larger employment gains than the United States. This may reflect more extensive use in the former of worker-retention programs modelled on the German Kurzarbeit short-time work scheme (IMF 2020), which protect workers' income and allow businesses to retain firm-specific human capital, reducing the costly process of separation, rehiring, and training. In the euro area, these programs bolstered employment during the most challenging phases of the crisis and accelerated the recovery when economies reopened.

Investment, on the other hand, has uniformly fallen short of pre-pandemic trends across regions. Businesses have shown less enthusiasm for expansion and risk taking amid rising interest rates, withdrawal of fiscal support, dimmer prospects for product demand, stricter lending conditions, and growing uncertainties regarding geoeconomic fragmentation. Higher leverage has further dampened investment which remains 3 percent to 10 percent lower across regions than had been projected before the pandemic. Moreover, the pandemic, war in Ukraine, and worsening climate shocks have contributed to a reversal in decades-long poverty reduction trends. According to World Bank staff estimates, 75 million to 95 million more people were living in extreme poverty in 2022 compared with pre-pandemic estimates. Spikes in food prices and related insecurities following Russia's invasion of Ukraine, as well as bouts of extreme weather, have accentuated these difficulties. The global average temperature in July 2023 was the highest on record for any month, amid reports of catastrophic flooding, heat waves, and wildfires in many regions. Overall, the global prevalence of undernourishment is significantly higher than before the pandemic.

*Source: Global recovery remains slow, with growing regional divergences and little margin for policy error*

## **OVERVIEW OF THE INDIAN ECONOMY**

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. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. 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. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and 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 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.

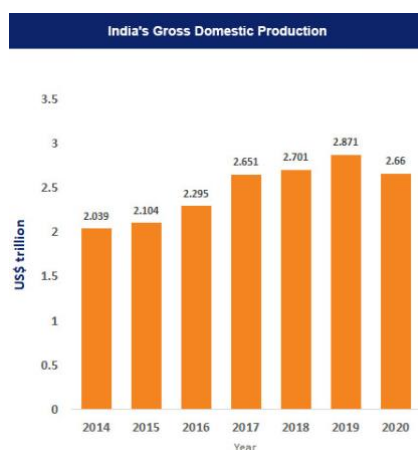
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because 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.

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, '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. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

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.

According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.

- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- 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.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 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 (US\$ 8.06 billion) in India during January-April 2024.
- 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:

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- 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 17, 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 6, 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 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- 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 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 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.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) 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. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects

worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.

- 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 11, 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.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- 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 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- 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.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- 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.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- 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 the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.

- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- 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 from the current 17%. 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.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- 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 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. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 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 AGRICULTURAL MARKET

The World Bank's agriculture price index edged up in early April, driven by pronounced spikes in cocoa and coffee prices. The index was unchanged in 2024Q1 (q/q), as a 4 percent decline in food prices offset a 22 percent increase in beverage prices. Favorable global supply conditions, including robust exports from the Black Sea region, weighed on food prices. In contrast, poor weather conditions, in part linked to El Niño, had pushed cocoa and Robusta coffee prices to record highs by the end of Q1, a trend that extended further in early April. The agriculture price index is expected to decline modestly in 2024 and 2025 (1 and 4 percent y/y, respectively) as supplies increase and El Niño conditions abate. The food price index is expected to steadily soften, by 6 percent in 2024 and 4 percent in 2025. In contrast, beverage prices are projected to increase by 22 percent in 2024 before declining by 12 percent in 2025. Raw material prices are forecast to decrease by 2 percent in 2024 before rising by 2 percent in 2025. Risks to the price forecast, which are tilted to the upside, relate to the path of input costs, trade disruption in the Red Sea, the potential emergence of La Niña, and, in the longer term, biofuel policies.

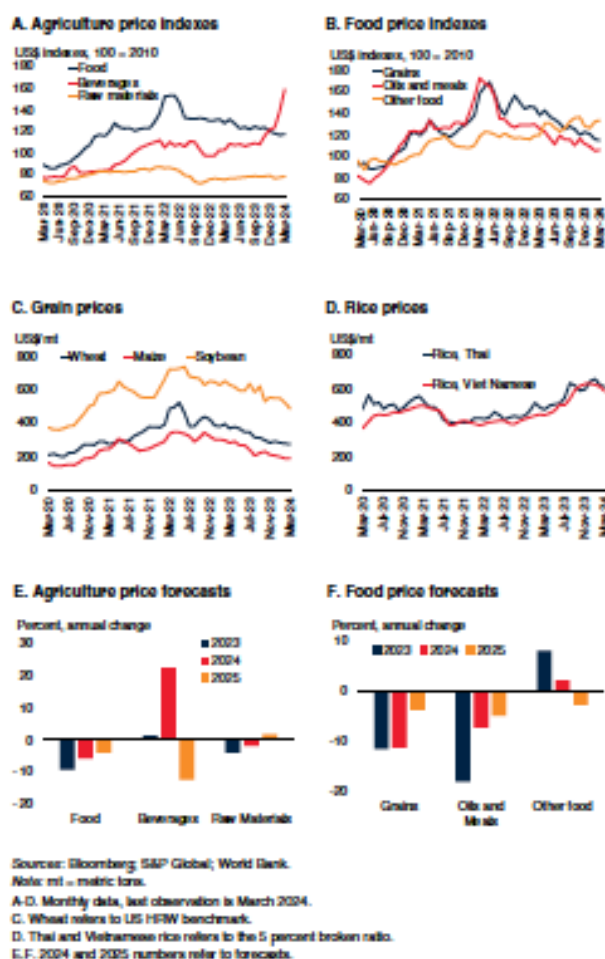
The World Bank's food price index eased in early April after falling by about 4 percent in 2024Q1 (q/q), to a level 9 percent lower than a year earlier. Subcomponent indexes for grains, oils and meals, and other foods fell by between 2 and 5 percent (figures 8.A and 8.B). Maize prices tumbled by about 11 percent and wheat prices declined by 4 percent in 2024Q1, together driving the 4 percent reduction in the overall grains index (figure 8.C). Both wheat and maize prices hit three-year lows during the quarter, with the downtrend continuing in early April. The decline in maize prices was attributed to competitively priced offers from the Black Sea region, larger production in major exporters, and favorable prospects for the next harvest, with global maize production in the 2023-24 season expected to increase by 6 percent to an all-time high. Downward pressure on wheat prices derived from robust exports from Russia and Ukraine and the second-highest global production on record in 2023-24. The collapse of the Black Sea Grain Initiative had minimal fallout, as Ukraine has so far been able to continue exporting via seaborne corridors and new overland routes. Rice prices increased by about 4 percent in 2024Q1 (q/q), standing 28 percent higher than a year earlier, reflecting supply concerns in major exporting countries related to El Niño and continued export restrictions from India. However, prices retreated in February, March, and early April, reflecting the depreciation of Thailand's baht and Viet Nam's dong against the U.S. dollar, sluggish global rice demand amid increased prices, a seasonal supply increase from the harvest in Viet Nam, and ongoing offseason harvests of irrigated fields in India and Thailand (figure 8.D). The oils and meals price index declined by 5 percent in 2024Q1 (q/q), reaching a level 17 percent lower than a year earlier. This decline was driven by a 14 percent fall in soybean oil prices, a 13 percent drop in soybean meal prices, and a 5 percent decrease in soybean prices, partly offset by an 8 percent increase in palm oil prices. Downward pressures on soybean prices stemmed from near-record production in Brazil, a near doubling of production in Argentina, and subdued Chinese demand. Global soybean production in 2023-24 is projected to increase by 5 percent, to a new record. The rise in palm oil prices reflected weakening production in Southeast Asia and declining global stocks. The other foods price index, encompassing sugar, meat, and fruits, fell by 2 percent in 2024Q1 (q/q) but remains 10 percent higher than a year earlier. The quarterly decline was due to a 10 percent fall in sugar prices, an 8 percent drop in orange prices, and a 6 percent decrease in chicken prices, partly offset by a 6 percent rise in beef prices. Sugar prices plummeted by 17 percent in December 2023 (m/m) and remained at that level in 2024Q1, reflecting increased production in Brazil and dry weather that allowed cane processing to continue and sugar exports to leave ports faster than expected.

### Outlook

The World Bank's food price index is projected to decrease by 6 percent in 2024 and 4 percent in 2025, with lower prices for grains as well as oils and meals accompanied by price gains for other foods in 2024, followed by broad-based declines in 2025 (figures 8.E and 8.F). The grains price index is expected to fall by 11 percent in 2024 (y/y) and 4 percent in 2025, driven by higher global grain supplies (figure 9.A). In 2024, wheat prices are forecast to decline by 15 percent, reflecting elevated production. In 2025, wheat prices are forecast to edge down by a modest 2 percent as the effects of strong export competition and marginally higher production are tempered by somewhat greater consumption and the lowest end-of-season stocks-to-use ratio in eight years (figures 9.B and 9.C). Global maize production is set to reach an all-time high in the 2023-24 season, primarily reflecting increases in the United States and Argentina of 12 percent and 47 percent (y/y), respectively. Maize prices are expected to decline by 21 percent (y/y) this year, amid the surge in supply. However, given that recent relative price movements and crop rotation preferences have favored soybean production, maize production is envisaged to grow only marginally in 2025, leading to a modest 2 percent price decline in 2025 (figures 9.C and 9.D). Recent policy shifts in the European Union to curb agricultural imports from Ukraine (including maize), while also proposing a €95-per-metric-ton duty on grains from Russia and Belarus, may put upward pressure on EU grain prices and downward pressure on prices in nonEU markets for Black Sea grains. Global rice production in 2023-24 remains flat, with the stock-to-use ratio falling to the lowest level in three years. Due to tight global markets and India's export restrictions, rice prices are forecast to rise by 8 percent (y/y) in 2024. With El Niño conditions expected to diminish by



May 2024, production is set to increase thereafter. This, alongside the assumption that weather-induced trade restrictions will ease next year, underpins a projected 8 percent decline in prices in 2025.



The oils and meals price index is projected to fall by 7 percent (y/y) in 2024 and 5 percent in 2025, due to favorable global supplies. Soybean prices are forecast to decrease by 16 percent in 2024 and 5 percent in 2025, reflecting record-high global production and the highest stock-to-use ratio since 2018. An anticipated increase in harvested area in 2025, driven by the relative attractiveness of soybean over maize production, will further contribute to declining soybean prices. Projected declines in soybean meal prices, by 11 percent in 2024 and 4 percent in 2025, also reflect these positive supply fundamentals. In contrast, soybean oil prices are expected to edge higher by 1 percent in 2024 and 2 percent in 2025, due to higher demand for biodiesel production in Brazil, India, Indonesia, Malaysia, and the United States. Palm oil prices are set to rise by 2 percent in 2024, given weakening production in Southeast Asia and tightening stocks, but to decline by 9 percent in 2025 as supplies improve following the weakening of El Niño.

The price index for other foods is projected to increase by 2 percent (y/y) in 2024 and then fall by 3 percent in 2025. The expected weakening of El Niño in the first half of 2024 should alleviate sugar supply constraints in India and Thailand, the second and third largest sugar exporters globally, resulting in price declines of 3 percent and 8 percent (y/y) in 2024 and 2025, respectively. Orange prices are forecast to rise about 5 percent in 2024, following a 71 percent spike in 2023. The forecast of sustained high prices reflects storm damage and citrus disease in orange-producing states in the United States, coupled with continued drought conditions in Spain, Europe's largest orange producer. Orange prices are projected to decline by 9 percent in 2025 as these factors begin to subside.

## Risks

Risks to the agricultural commodity price forecasts are tilted to the upside. Notable upside risks relate to weather, geopolitics, input cost dynamics, and potential maritime chokepoints. However, biofuel policies that are less supportive of prices than currently envisaged pose a downside risk.

*Upside risks:* Disruptions to grain shipments. In 2023, more than 14 percent of global seaborne grains and oilseeds trade passed through the Suez Canal, a considerably higher share than for crude oil and metals. Recent attacks on commercial vessels in the Red Sea prompted significant rerouting from the Suez Canal to around the Cape of Good Hope. During December and January, an estimated 4.3 million tons of grains and oilseeds were diverted in this manner, mostly affecting U.S. soybean exports and EU wheat exports to Asia. Thus far, however, grain and oilseed prices have not been significantly affected, perhaps partly because container ships originating from the Black Sea region—a major source of grain and oilseeds—have continued to take the Red Sea route. If attacks intensify, prompting vessels from the Black Sea to also divert, substantial delays, increased shipment costs, and higher prices could materialize.

*Input costs:* Energy and fertilizer costs are forecast to decrease by 3 and 22 percent, respectively, in 2024, with further declines in 2025 (figure 10.C). If these price declines do not materialize—for instance, because of escalating geopolitical tensions that push up energy prices and adversely affect fertilizer production—food prices will likely be higher than forecast. Moreover, fertilizer producers in the Black Sea region, the Middle East, and North Africa heavily rely on the Suez Canal for exports, and this route could become unviable if Red Sea shipping disruptions intensify, raising the cost of transporting fertilizers to end-users.

*La Niña:* The U.S. National Oceanic and Atmospheric Administration forecasts a weakening of El Niño weather conditions, with an 85 percent chance of transitioning to neutral conditions by April-June 2024. The probability of a subsequent La Niña onset between June and August 2024 has increased to 60 percent. La Niña conditions typically result in wetter than normal conditions in Australia, northern Brazil, India, Indonesia, Malaysia, the Philippines, and Southeastern Africa, while bringing unusually dry weather in the United States Gulf Coast, Southern Brazil, and Argentina. The weakening of El Niño and the likely emergence of La Niña is anticipated to alleviate price pressures on commodities like cocoa, food oils, natural rubber, rice, and sugar in 2025. If these weather forecasts fail to materialize, prices may surpass expectations.

#### *Downside risks*

*Biofuels:* The International Energy Agency predicts a 30 percent increase in biofuel demand from 2023-28 relative to the previous five years. Emerging and developing economies such as Brazil, India, Indonesia, and Malaysia are expected to drive over 60 percent of demand growth through supportive policies promoting biofuel adoption, rising demand for transport fuel, and ample availability of feedstock, even though the majority of current production occurs in advanced economies. The share of biodiesel demand in total palm oil production in Malaysia and Indonesia is projected to rise from 19 percent in 2022 to 30 percent by 2028. Additionally, in the United States, eight midwestern states will be permitted to sell gasoline blended with 15 percent ethanol year-round from April 2025. The forecasts assume that this policy-derived support for biofuel demand will continue. However, there may be downward pressure on prices for grains, vegetable oils, and sugar if such policies do not unfold as planned.

(Source: <https://openknowledge.worldbank.org/server/api/core/bitstreams/10913920-7b3d-4323-8ccc-43e764336dd2/content>)

## **INDIAN AGRICULTURAL MARKET**

India ranks 1st in milk production and contributed 24% to global milk production, in 2021-22. It registered a 48.3% increase during the last 8 years from 2015-16 to 2022-23. India ranked 3rd in global egg production and produced at least 138.38 billion nos. in 2022-23. Egg production is growing at the rate of 6.8% per annum. India is also the world's 2nd largest producer of food grains, fruits and vegetables and the 2nd largest exporter of sugar. India is the 3rd largest fish-producing country, accounting for 8% of the global fish production, and ranks 2nd in aquaculture production. India has access to several natural resources that provides it with a competitive advantage in the food processing sector. Due to its diverse agro-climatic conditions, it has a wide- ranging and large raw material base suitable for food processing industries.

Use of proper equipment can increase farm productivity by up to 30% and reduce the input cost by about 20%. Tractor accounts for most of the farm mechanisation in India. The country is also the largest market in the world for tractors. The pandemic-induced lockdowns resulted in a sharp increase in the share of food in the total expenditure across rural and urban India for all income groups and castes and religions, but the intensity of shifts varied. Foodgrain production in India touched 330.5 million metric tonnes (MT) in 2022-23 (3rd Advance Estimate). Moreover, India's foodgrain production touched a record 345.32 million MT in 2021-22. As per the First Advance Estimates for 2023-24 (Kharif only), total foodgrain production in the country is estimated at 148.5 million tonnes.

Factors contributing towards the sharp growth in demand for processed foods include increasing urbanization, increasing disposable incomes, changing spending patterns/ priorities, the emergence of nuclear families and the growing need for convenience foods in dual-income nuclear families.

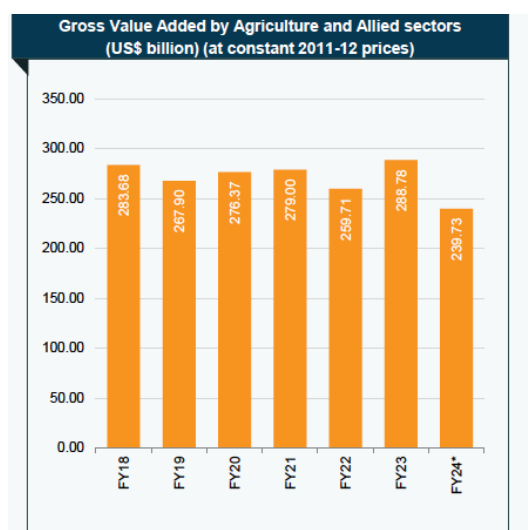
The demand for organic products in the Indian market is growing and is anticipated to rise with a CAGR of 25.25% between 2022-27. A total of 521.27 LMT rice has been anticipated for procurement for the upcoming KMS 2023-24, up from 496 LMT produced during the previous KMS 2022-23. India has access to several natural resources that provides it with a competitive advantage in the food processing sector. Due to its diverse agro-climatic conditions, it has a wide-ranging and large raw material base suitable for food processing industries.

Entry of foreign players have been key to sustainable growth in some sectors such as dairy. Indian consumers are rapidly changing their eating habits. Trends indicate a sharp increase in on-the go eating, snacking in between meals, switching to healthier eating alternatives, pre-cooked ready to eat meals and increasing consumption of organic foods. This has led to a host of new opportunities in the consumer foods market for both domestic and international companies to build a stake in this fast-growing processed food market.

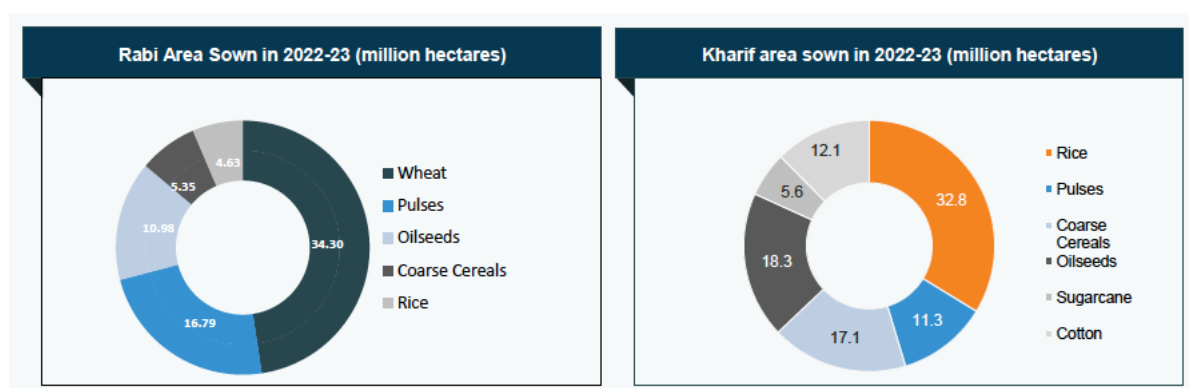
Through several Digital Initiatives, such as the National e- Governance Plan in Agriculture (NeGP-A), the construction of Digital Public Infrastructure (DPI), digital registries, etc., the government has taken a number of steps to ensure access to IT across the nation. A new sub-scheme of PM Matsya Sampada Yojana with a targeted investment of Rs. 6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies and expand the market. The government has proposed developing 100 food streets in 100 districts across India, with the financial help of Rs. 1 crore (US\$ 122,271.30) per food street/district.

## Growth Factors

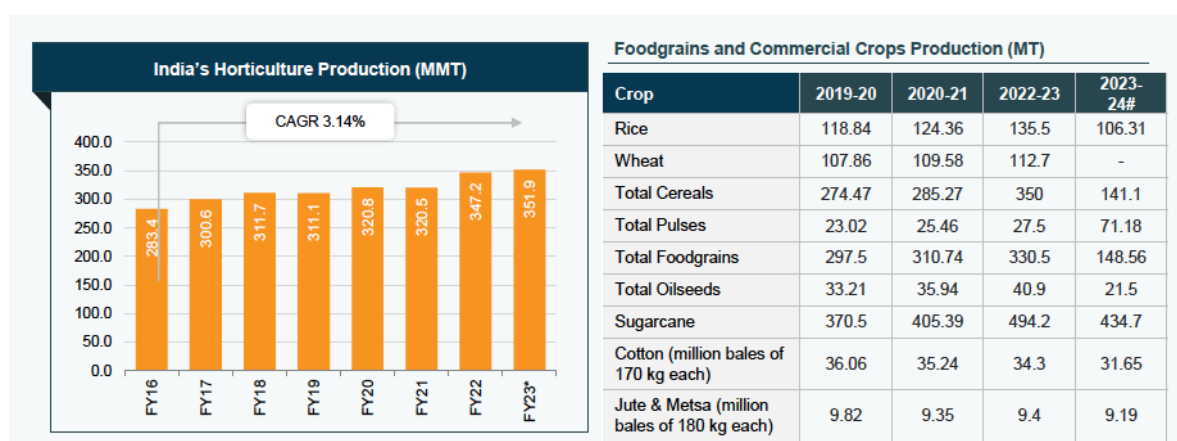
In India, agriculture is the primary source of livelihood for ~55% of the population. At current prices, agriculture and allied sectors account for 18.3% of India's GDP (2022-23). As First Advance Estimates of the country's Agriculture and allied activities recorded a growth rate of 3.5-4% in 2021-22. As per the Second Advance Estimates of National Income, the share of GVA of agriculture and allied sectors in the total economy in 2022-23 was 18.3%, with a growth rate of 3.3%. For the year 2022-23, an export target of US\$ 23.56 billion has been fixed for the agricultural and processed food products basket and an export of US\$ 17.435 billion has already been achieved in eight months of the current fiscal. Between April 2000-December 2023, FDI in agriculture services stood at US\$ 4.78 billion. According to Bain & Co., the Indian agricultural sector is predicted to increase to US\$ 30-35 billion by 2025. In December 2023, NBCC signed an MoU with the National Cooperative Development Cooperation (NCDC) and NABARD for the construction of (1,469-grain storage units) the world's largest grain storage plan in the cooperative sector.



There are two major agricultural seasons in India: Kharif and Rabi. Kharif season lasts from April to September (summer) - rice (paddy) is the season's main crop and rabi season lasts from October to March (winter) - wheat is the season's main crop. Monitoring of rabi crop sowing revealed that as of December 9, 2022, the area sown under rabi crops has increased from 457.80 to 526.27 lakh hectares. Out of 68.47 lakh hectares increase in all rabi crops, the increase in wheat area is 51.85 lakh hectares from 203.91 to 255.76 lakh hectares. Rabi crop area has increased by 3.25%, from 697.98 lakh hectares in 2021-22 to 720.68 lakh hectares in 2022-23. This is a 22.71 lakh hectare, a 13.71% increase over the average sown area in 2021-22. As per the First Advance Estimates for 2023-24, rice is estimated at 1,063.13 lakh tonnes during the kharif season.



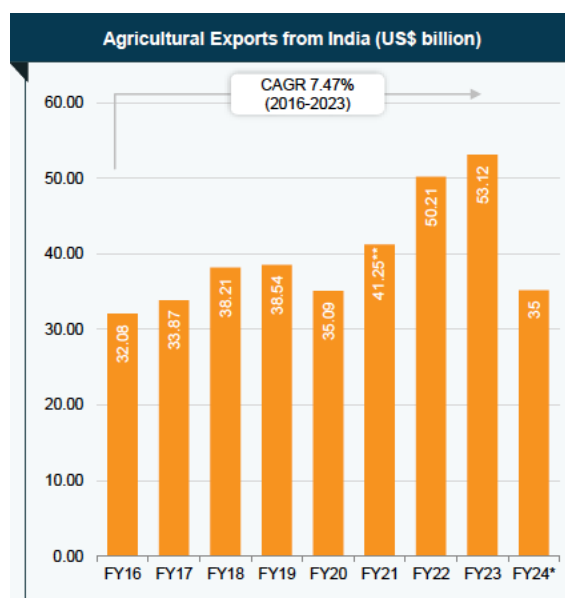
In 2022-23 (as per the second advance estimate), India's horticulture output is expected to have hit a record 351.92 million tonnes (MT), an increase of about 4.74 million tonnes (1.37%) as compared to the year 2021-22. As per the First Advance Estimates for 2023-24, rice is estimated at 1,063.13 lakh tonnes during the kharif season. India's agriculture exports touched US\$ 35.18 billion (April-December) in 2023-24. As per the provisional figures released by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), agricultural exports have grown by 19.92% during 2021-22 to touch US\$ 50.21 billion. This remarkable feat has been made possible on the shoulders of several key initiatives taken by the Central government to increase the production of food grains in recent years.



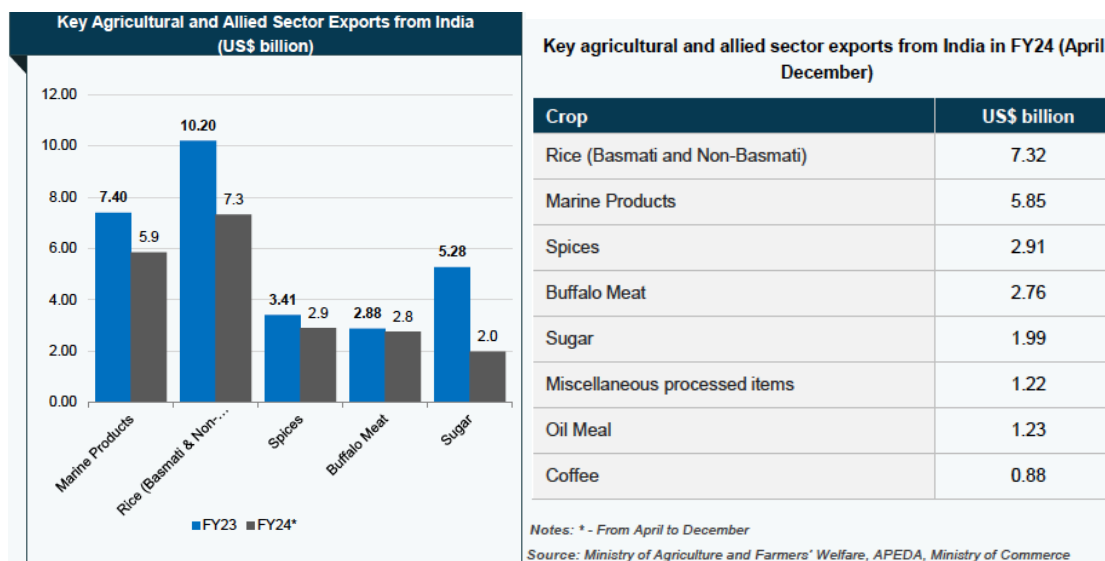
India's agricultural and processed food products exports stood at US\$ 53.12 billion in 2022-23. India's agricultural and processed food products exports stood at US\$ 35.18 billion in 2023-24 (April-December). The exports for principal commodities in 2023-24 (April-December) were the following:

- Marine Product: US\$ 5.85 billion
- Basmati and Non-Basmati Rice: US\$ 7.32 billion
- Spices: US\$ 2.91 billion
- Buffalo Meat: US\$ 2.76 billion
- Sugar: US\$ 1.99 billion
- Miscellaneous processed items: US\$ 1.22 billion
- Oil Meal: US\$ 1.23 billion

In FY24, India's agricultural exports are likely to touch last year's level at US\$ 53 billion. As per the Economic Survey 2022-23, the government aims to make India a global hub for 'Shree Anna', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.



Marine products, rice and spices are the largest agricultural export items in terms of value. Other major export items are buffalo meat, sugar, oil products and coffee.



## Strategies adopted

### Rising business and product innovation

- India's food service market is expected to reach US\$ 79.65 billion by 2028, growing at a CAGR of 11.19% from US\$ 41.1 billion in 2022.
- The government is promoting the use of drones in agriculture by providing financial assistance through the 'Sub-Mission on Agriculture Mechanization'.
- Government aims to make India a global hub for 'Shree Anna', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.
- National Agriculture Market (eNAM) is a pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities. Integration of APMCs across the country through a common online market platform to facilitate pan-India trade in agriculture commodities, providing better price discovery through transparent auction process based on quality of produce along with timely online payment.

## **Research**

- As per the Union Budget 2023-24, government aims to make India a global hub for 'Shree Anna', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.
- Agriculture Accelerator Fund to be set-up to encourage agri-startups by young entrepreneurs in rural area.

## **Low-cost price strategy**

- Low-cost price strategy is adopted so as to make the product affordable to consumers by guaranteeing them value for money. For example, to penetrate deeper into the Indian households Kissan adopted a low cost price strategy also known as penetration pricing strategy to make its products affordable and attractive to the consumers by giving them value for money.
- The demand for processed foods in India is constrained by low income and sociocultural factors.
- Government has set up a special fund called the Food Processing Fund (FPF) of approximately US\$ 265 million in the National Bank for Agriculture and Rural Development (NABARD) for extending affordable credit to designated food parks and food processing enterprises in the designated food parks.

## **Growth drivers of Indian agriculture**

### **Demand-side drivers**

- Rapid population expansion in India is the main factor driving the industry.
- Changing lifestyle and food habits due to increased disposable income
- The demand for processed foods in India is constrained by low income and socio-cultural factors.

### **Supply-side drivers**

- According to the Center for Environment and Agriculture (CENTEGRO) and Crop Care Federation of India (CCFI), India can become the 'global agricultural hub' for other countries, which have harsh weather, scarce labour and lands, and are seeking to outsource their agriculture.
- High level of agricultural production - large livestock base, wide variety of crops, inland water bodies and a long coastline, help increase marine production.
- Bringing Green Revolution to Eastern India (BGREI)

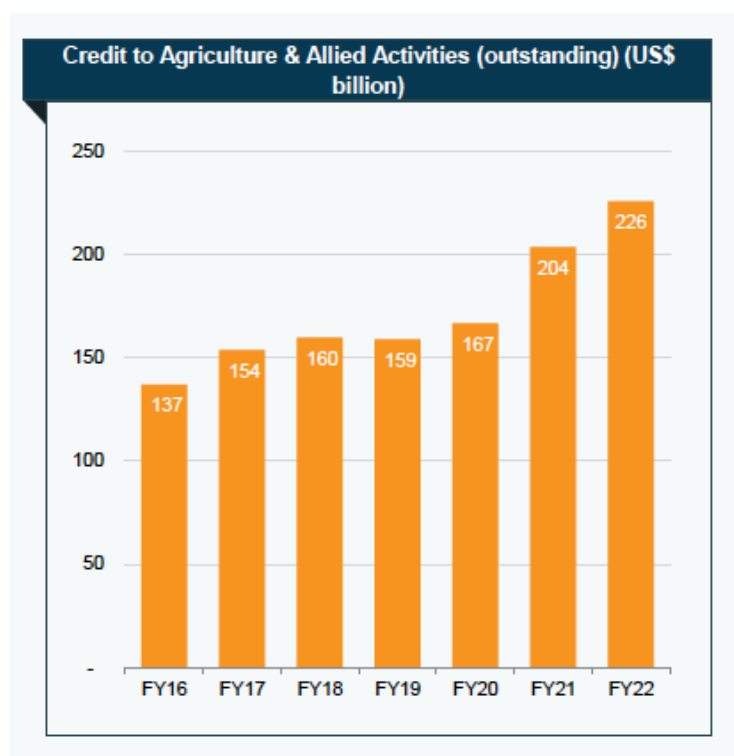
## **Policy support**

- A new sub-scheme of PM Matsya Sampada Yojana with targeted investment of Rs. 6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.
- Online, Competitive, Transparent Bidding System with 1.74 crore farmers and 2.39 lakh traders put in place under the National Agriculture Market (e-NAM) Scheme.

## **Institutional credit and investments on a rise**

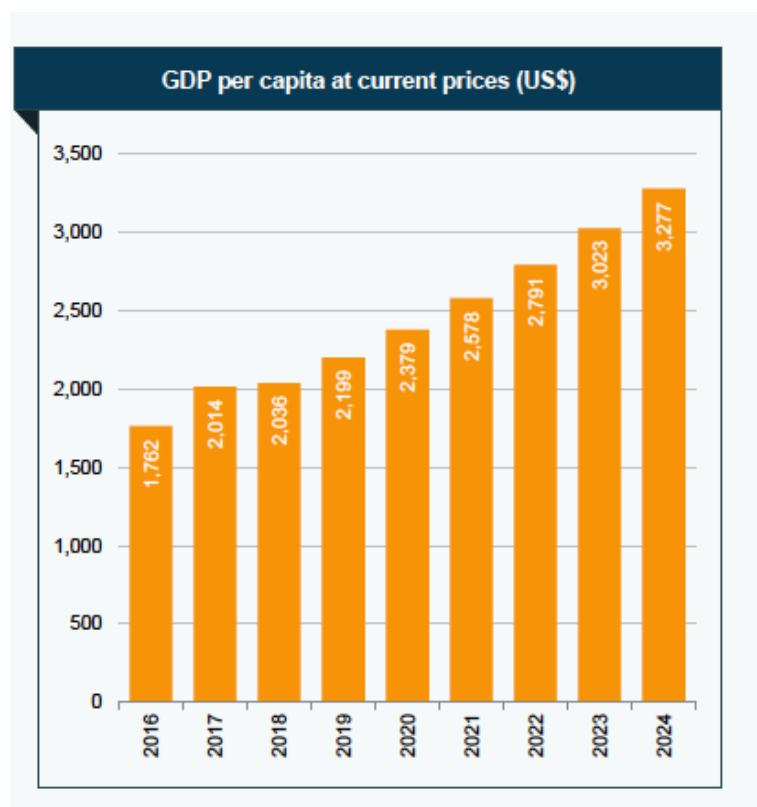
- The performance of the agriculture and allied sector has been buoyant over the past several years, much of which is on account of the measures taken by the government to augment crop and livestock productivity, ensure certainty of returns to the farmers through price support, promote crop diversification, improve market infrastructure through the impetus provided for the setting up of farmer-producer organizations and promotion of investment in infrastructure facilities through the Agriculture Infrastructure Fund.

- Private investment in agriculture increased to 9.3% in 2020-21.
- Institutional Credit to the Agricultural Sector continued to grow to Rs. US\$ 226 billion (18.6 lakh crore) in 2021-22.
- US\$ 1.66 billion (Rs. 13,681 crore) sanctioned for Post-Harvest Support and Community Farms under the Agriculture Infrastructure Fund.
- Free foodgrains to about 81.4 crore beneficiaries under the National Food Security Act for one year from January 1, 2023.
- The Centre has granted permission to five private companies to conduct cluster farming of specified horticulture crops on approximately 50,000 hectares on a trial basis, with a total investment of US\$ 91.75 million (Rs. 750 crore). The five companies chosen through a bidding process for the pilot cluster farming program are Prasad Seeds, FIL Industries, Sahyadri Farms, Meghalaya Basin Management Agency.
- 27,003 Loans have been sanctioned in the country under credit linked subsidy component of the PM Formalisation of Micro Food Processing Enterprises Scheme (PMFME).



#### **Rising income and growing middle class to drive demand for processed food**

- Strong growth in per capita income has resulted in greater demand for food items.
- Per capita GDP of India is expected to reach US\$ 3,277 in 2024 from US\$ 2,036 in 2018.
- India's food processing sector has been one of the key sectors, which is growing due to its response to the changing demographics and lifestyle, affordable workforce availability, free availability of raw materials, and is boosted by growth in export opportunities and government advocacy to develop food manufacturing. Since India's processing sector is the world's biggest with food production, supply and processing, backed by conducive conditions, its output can touch US\$ 535 billion by 2025-26, while generating jobs to the tune of 9 million by 2024. Hence, other than the processing industry, packaged and ready-to-eat (RTE) food too is poised to see a huge boom.
- The growth in these sectors are also propelled by the pandemic, hike in expendable income leading to increasing appetites for discretionary spends on branded items including processed food items, a rejuvenated retail sector and state sponsorship.



**Favourable policies are supporting the sector growth**



1

#### Agriculture Export Policy, 2018

- New export policy was cleared by the Government of India in December 2018.
- Targets increasing India's agricultural export to over US\$ 60 billion by 2022.

2

#### Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan)

- Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan). Benefits under the PM Kisan plan have been delivered to about 11.78 crore farmers as of February 22nd 2022, and Rs. 1.82 lakh crore (US\$ 23.97 billion) have been released to qualified recipients across India in various payments.

3

#### Pradhan Mantri Annadata Aay Sanrakshana Abhiyan' (PM-AASHA)

- Pradhan Mantri Annadata Aay Sanrakshana Abhiyan' (PM-AASHA) is an umbrella scheme to ensure minimum support price (MSP) to farmers. It comprises the previous price support scheme (PSS), with few modifications and introduction of new schemes, including price deficiency payment scheme (PDPS) and pilot of private procurement and stockist scheme (PPSS).

4

#### Pradhan Mantri Krishi Sinchai Yojana (PMKSY)

- As per the Union Budget 2021-22, Rs. 11,588 crore (US\$ 1.5 billion) was allocated to Pradhan Mantri Krishi Sinchai Yojana (PMKSY).

5

#### Model Contract Farming & Services Act 2018

- In May 2018, the Government finalised the Model Contract Act to include all services in the agriculture value chain under its ambit along with contract farming activity. The act has laid special emphasis on protecting farmers' rights in the country.

6

#### Pradhan Mantri Kisan Maan-Dhan Yojana (PM-KMY)

- A minimum fixed pension of Rs. 3,000 (US\$ 42.92) will be provided to eligible small and marginal farmers on attaining the age of 60 years, subject to certain exclusion clauses.
- The beneficiary is required to make a monthly contribution between Rs. 55 to Rs. 200 (US\$ 0.78 to 2.86) to the Pension Fund depending on the age of entry into the scheme and a provision of equal contribution by the Central Government.

7

#### Dairy Sahakar scheme

- In October 2021, the Union Minister of Home Affairs and Cooperation launched the 'Dairy Sahakar' scheme in Anand, Gujarat.
- Under the scheme, financial support will be extended by the National Cooperative Development Corporation (NCDC) to eligible cooperatives for activities, such as bovine development, milk procurement, processing, quality assurance, value addition, branding, packaging, marketing, transportation and storage of milk and milk products. Exports of dairy products within the comprehensive objectives of 'Doubling the farmers income' and 'Atmanirbhar Bharat' will also be covered.
- The scheme with a total investment of Rs. 5,000 crore (US\$ 667.26 million) will be implemented by NCDC under the Ministry of Cooperation.

8

#### Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PM FME)

- Outlay of Rs. 10,000 crore (US\$ 1.34 billion) over a period of five years from FY21 to FY25.
- The sector has been assigned a priority status for bank credit.
- Implemented in 707 districts for 35 states and union territories
- 60 Agri Export Zones (AEZ) have been set up across the country.
- 11 banks are official lending partners under this scheme

9

#### APMC farmers go cashless

- The Electronic National Agriculture Market (e-NAM), which was launched in April 2016 to create a unified national market for agricultural commodities by networking existing APMCs. It had 16.9 million farmers and 157,778 traders registered on its platform until February 2021. Over 1,000 mandis in India are already linked to e-NAM and 22,000 additional mandis are expected to be linked by 2021-22.

10

#### Digital Agriculture Mission

- The Indian government has initiated Digital Agriculture Mission for 2021-25 for agriculture projects based on new technologies such as artificial intelligence, block chain, remote sensing and GIS technology, drones, robots and others.

11	<b>Krishi UDAN 2.0</b>	<ul style="list-style-type: none"> <li>Ministry of Civil Aviation launched the Krishi UDAN 2.0 scheme in October 2021.</li> <li>The scheme proposes assistance and incentive for movement of agri-produce by air transportation.</li> <li>The Krishi UDAN 2.0 will be implemented at 53 airports across the country largely focusing on Northeast and tribal regions and is expected to benefit farmers, freight forwarders and airlines.</li> </ul>
12	<b>Focus on infrastructure</b>	<ul style="list-style-type: none"> <li>The sector has been assigned a priority status for bank credit.</li> <li>60 Agri Export Zones (AEZ) have been set up across the country.</li> <li>Between FY15-20, around 1303 cold storages with 45 lakh tonnes have been established.</li> <li>In May 2020, Government announced the launch of animal husbandry infrastructure development fund of Rs. 15,000 crore (US\$ 2.13 billion).</li> </ul>
13	<b>National Mission on Food Processing</b>	<ul style="list-style-type: none"> <li>Ministry of Food Processing Industries (MOFPI) launched a new centrally sponsored scheme (CSS), National Mission on Food Processing, to promote facilities for post-harvest operations, including setting up of food processing industries in India. In Union Budget 2019-20, the Government announced to spend Rs. 110 crore (US\$ 15.74 million) in Union Territories only.</li> </ul>
14	<b>Agricultural Pump Power Policy</b>	<ul style="list-style-type: none"> <li>Announced in December 2020.</li> <li>As of March 2021, a total of 582,114 farmers in Maharashtra have paid the arrears of agricultural pump electricity bills amounting to Rs. 511.26 crore (US\$ 63.37 million).</li> </ul>
15	<b>Pradhan Mantri Fasal Bima Yojana (PMFBY)</b>	<ul style="list-style-type: none"> <li>Aims to support sustainable production in agriculture by providing financial support to farmers who have incurred crop losses/damages due to unforeseen events. This will help stabilise the income of farmers, ensure continuance in farming, encourage them to adopt innovative and modern agricultural practices and ensure flow of credit to the agriculture sector.</li> </ul>
16	<b>Paramparagat Krishi Vikas Yojana (PKVY)</b>	<ul style="list-style-type: none"> <li>An extended component of Soil Health Management (SHM) under the Centrally Sponsored Scheme (CSS), National Mission on Sustainable Agriculture (NMSA).</li> <li>PKVY aims at supporting and promoting organic farming, in turn resulting in improvement of soil health.</li> </ul>
17	<b>National Agriculture Market (e-NAM) Scheme</b>	<ul style="list-style-type: none"> <li>National Agriculture Market (eNAM) is a pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities.</li> <li>Integration of APMCs across the country through a common online market platform to facilitate pan-India trade in agriculture commodities, providing better price discovery through transparent auction process based on quality of produce along with timely online payment.</li> </ul>
18	<b>PM Matsya Sampada Yojana</b>	<ul style="list-style-type: none"> <li>PM Matsya Sampada Yojana with targeted investment of Rs.6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro &amp; small enterprises, improve value chain efficiencies, and expand the market.</li> </ul>
19	<b>Soil Health Card Scheme</b>	<ul style="list-style-type: none"> <li>This scheme has been introduced to assist State Governments to issue Soil Health Cards to all farmers in the country. The Soil Health Cards provide information to farmers on nutrient status of their soil along with recommendation on appropriate dosage of nutrients to be applied for improving soil health and its fertility.</li> </ul>
20	<b>Pradhan Mantri Fasal Bima Yojana (PMFBY) &amp; Restructured Weather Based Crop Insurance Scheme (RWBCIS)</b>	<ul style="list-style-type: none"> <li>These schemes aim to provide comprehensive crop insurance coverage from pre-sowing to post harvest losses against non-preventable natural risks.</li> <li>These schemes are only risk mitigation tools available to farmers at extremely low premium rates payable by farmers.</li> </ul>

### Highlights of Union Budget

- The Agricultural and Processed Food Products Export Development Authority (APEDA) is implementing strategic initiatives to diversify India's agricultural exports, focusing on key products like fresh fruits, vegetables, processed foods, and animal products.
- Through several Digital Initiatives, such as the National e-Governance Plan in Agriculture (NeGP-A), the construction of Digital Public Infrastructure (DPI), digital registries, etc., the government has taken a number of steps to ensure access to IT across the nation.

- The Soil Health Card site has been updated and connected with a Geographic Information System (GIS) system, allowing all test results to be captured and shown on a map. Samples are now being gathered using a mobile application as of April 2023 under the new system.
- Rs. 2.37 lakh crore (US\$ 30.37 billion) direct payments would be provided to 1.63 crore farmers for procurement of wheat and paddy.
- In 2022, the Indian government is planning to launch Kisan Drones for crop assessment, digitization of land records, spraying of insecticides and nutrients.
- Rs. 1.24 lakh crore (US\$ 15.9 billion) has been allocated to Department of Agriculture, Cooperation and Farmers' Welfare.
- The present procurement operations as of 2021 have already benefited ~4.91 million farmers, with an MSP (minimum support price) of US\$ 11.51 billion.
- The Indian government is planning to increase the number of primary agriculture cooperatives from 60,000 to 3 lakh until 2026.
- The Agriculture Ministry would offer agricultural institutes with a grant of up to Rs. 10 lakh (US\$ 13,175) for the procurement of drones.
- In October 2021, the Union Ministry of Agriculture and Farmers Welfare announced that 820,600 seed mini-kits will be distributed free of cost in 343 identified districts across 15 major producing states under a special programme. This programme is likely to boost production and productivity by speeding up the seed replacement rate and subsequently, help in increasing farmer's income.
- In September 2021, the Union Minister for Agriculture and Farmers' Welfare Mr. Narendra Singh Tomar launched 'Amul Honey – a product of Gujarat Cooperative Milk Marketing Federation Ltd. (GCMMF)' along with the 'National Bee Board (NBB)'.
- In September 2021, the Union Ministry of Agriculture and Farmers' Welfare signed five MoUs with CISCO, Ninjacart, Jio Platforms Limited, ITC Limited and NCDEX e-Markets Limited. This MoU will have five pilot projects, which will help farmers make decisions on the kind of crops to grow, variety of seeds to use and best practices to adopt to maximise yield.
- In the next five years, the central government will aim US\$ 9 billion in investments in the fisheries sector under PM Matsya Sampada Yojana. The government is targeting to raise fish production to 220 lakh tonnes by 2024-25.
- In March 2021, the Union Cabinet, chaired by Prime Minister Mr. Narendra Modi, approved a memorandum of understanding (MoU) between the Ministry of Agriculture and Farmers' Welfare of India and the Ministry of Agriculture of Fiji for co-operation in the field of agriculture and allied sectors.
- In October 2020, Agri-lender Nabard (National Bank for Agriculture and Rural Development) proposed plans to set up a subsidiary to provide guarantee for loans under agriculture and rural development.
- In October 2020, the government announced that it is putting up a common data infrastructure for farmers in the country. PMFBY (Pradhan Mantri Fasal Bima Yojana), PM-Kisan and the Soil Health Card will be integrated through a common database, along with land record details.
- In September 2020, National Cooperative Development Corporation (NCDC) sanctioned Rs. 19,444 crore (US\$ 2.7 billion), as the first instalment, to Chhattisgarh, Haryana and Telangana for kharif paddy procurement under minimum support price (MSP) operations.
- In September 2020, the government launched the PM Matsya Sampada Yojana, e-Gopala App and several initiatives in fisheries production, dairy, animal husbandry and agriculture. Under this scheme, an investment of Rs. 20,000 crore (US\$ 2.7 billion) will be made in the next 4-5 years in 21 states.
- In May 2020, the Government of India announced an infrastructure development fund of Rs. 15,000 crore (US\$ 2.31 billion) to promote investments by private players and MSMEs in segments such as dairy, meat processing and animal feed plants.
- Allocation of US\$ 3.9 billion for RFID, US\$ 234 million for long-term rural credit fund, US\$ 7.03 billion for short-term cooperative rural credit finance fund, and US\$ 3.9 billion for short-term RRB refinance fund.
- Food Processing Industries have taken few initiatives for developing the food processing sector that would enhance the exports of agro and processed foods and income of farmers.
- The Agricultural Technology Management Agency (ATMA) Scheme has been implemented in 704 districts across 28 states and 5 UTs to educate farmers. Grants-in-aid are released to the State Government under the scheme with the goal of supporting State Governments' efforts to make available the latest agricultural technologies and good agricultural practices in various thematic areas of agriculture and allied sector.
- The Government is planning to invest US\$ 8 billion to revive four fertilizer plants and setting up two plants to produce farm nutrients.
- Since its inception, i.e. from 01.04.2001 to 31.12.2022, a total of 42164 storage infrastructure projects (Godowns) with a capacity of 740.43 Lakh MT have been assisted in the country under the Agricultural Marketing Infrastructure (AMI) sub-scheme of the Integrated Scheme for Agricultural Marketing (ISAM).
- To enhance the income of farmers, the government has taken initiatives across several focus areas. Income support is provided to farmers through PM KISAN Scheme, crop insurance is assured through the Pradhan Mantri Fasal Bima

Yojana, and irrigation facilities are ensured under Pradhan Mantri Krishi Sinchai Yojana. Access to institutional credit is being provided through Kisan Credit Card and other channels.

- Under the e-NAM initiative, markets across the length and breadth of the nation are now open to farmers, to enable them to get more remunerative prices for their produce. Online, Competitive, Transparent Bidding System with 1.74 crore farmers and 2.39 lakh traders put in place under the National Agriculture Market (e-NAM) Scheme.
- The umbrella scheme Pradhan Mantri Annadata Aay Sanrakshana Abhiyan (PM-AASHA) ensures Minimum Support Price (MSP) to farmers for various Kharif and Rabi crops while also keeping a robust procurement mechanism in place.
- As per the Economic Survey 2022-23, Rs. 13,681 crore (US\$ 1.66 billion) sanctioned for Post-Harvest Support and Community Farms under the Agriculture Infrastructure Fund.
- In order to increase the level of food- processing industry and encouraging rural entrepreneurship across the country including rural areas, Ministry Food Processing Industries (MoFPI) is implementing Central Sector Umbrella Scheme Pradhan Mantri Kisan SAMPADANA Yojana (PMKSY), Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and Centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) Scheme.
- Under the centrally sponsored, Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme carried out by the Ministry of Food Processing Industries (MoFPI), One District One Product (ODOP) has been approved for 713 districts of 35 States/UTs out of all 766 districts across 36 States/UTs. Under the credit-linked subsidy component of the PMFME Scheme, 27,003 loans have been sanctioned in the country in 2022-23.
- Under component schemes of PMKSY, MoFPI mostly provides financial assistance in the form of grants-in-aid to entrepreneurs for creation of modern infrastructure and setting up of food processing / preservation industries including Cold Chains with associated infrastructure like primary processing facilities, collection centres, pre-conditioning, pre-cooling, ripening, packing etc.
- As per the Union Budget, 2023-24, A new sub-scheme of PM Matsya Sampada Yojana with targeted investment of Rs. 6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.

Source: [www.ibef.org](http://www.ibef.org)

## **OUR BUSINESS**

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read “Forward Looking Statements” on page 18 of this Draft Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in “Risk Factors” on page 25. This section should be read in conjunction with such risk factors.*

*Unless otherwise indicated, industry and market data included in this section has been derived from the industry sources. This section should be read in conjunction with the “Industry Overview” on page 106 of this Draft Red Herring Prospectus. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ended March 31 of that year.*

*Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “Restated Financial Information”, included in this Draft Red Herring Prospectus on page 174.*

## **OVERVIEW**

We are engaged in the business of providing integrated cash and carry service across the commodity procurement value chain. We deal in the commodities market, primarily in agricultural commodities, wherein we offer contract execution services in the physical as well as exchange markets to business owners, farmer producer organization, stockists, farmers, traders, *etc.* As part of our service offerings we provide services including but not limited to, (i) crop procurement and price management solutions; (ii) quality management solutions with secured warehousing at reasonable prices to store commodities; (iii) arranging for bill discounting or loan against warehousing receipts from qualified and regulated institutions at lowest possible interest rates; (iv) arranging for transportation delivery solutions through smart delivery transport partners; and (v) arranging for insurance for stock in warehouse and stock in transit. In addition to cash and carry services, we also offer contract execution services for streamlining import and export of commodities by undertaking key functions such as import-export finance, quality testing and logistics for our customers. In addition to providing consultancy services to our customers, we also undertake trading of commodities in the domestic and international markets.

We are also engaged in carrying out cash and carry services for trading of commodities in the open physical market. We supply commodities to reputed companies engaged in the business of processing of commodities, stockists, importers, exporters, traders, *etc.* We procure the commodities from mandis through our employees and supply them to end users. Our revenue share is earned through the margin in the cost of commodities purchased and sold by us.

In order to increase the efficiency of our operations, in the year 2023, we have created a digitally native, technology led platform, delivering an interactive procurement, selling and execution services, across our various offerings. Our in-house platform is interactive in nature, wherein our Company, sellers, buyers and stockists can access the platform by easily registering on making payment of a nominal fee and, upon verification, start using the platform through separate login ids. The platform is proposed to be developed in two phases. Our Company has completed the first phase, wherein the platform has been equipped to facilitate interaction between investors/ end users/ processors for negotiation and execution of contract, procurement or selling of commodities at pre-determined prices. As on May 31, 2024, a snapshot of registered and active users on our platform have been provided below:

Category	Registered	Active
Buyer	10	7
Seller	51	16
Trader	85	48
FPOs	14	6

As part of phase two of development of our technology platform, we intend to (i) further develop our platform by adding additional commodities for our customers; and (ii) digitalising the remaining functions of our Company, in respect of quality management, warehouse management, insurance, warehousing finance and logistics. Presently, these operations are being undertaken physically by our employees. We also intend to develop a mobile application, wherein the features of our platform would also be available on the phones of our customers and users. Through our mobile application we intend to provide omni-channel digital offerings, with fully integrated one click actions, through mobile, web and desktop versions. We intend to utilise a portion of the Net Proceeds towards undertaking investment in our technology infrastructure and human resources towards development of the commodity platform of our Company. For further details, please see the chapter titled “Objects of the Issue” on page 81 of this Draft Red Herring Prospectus.

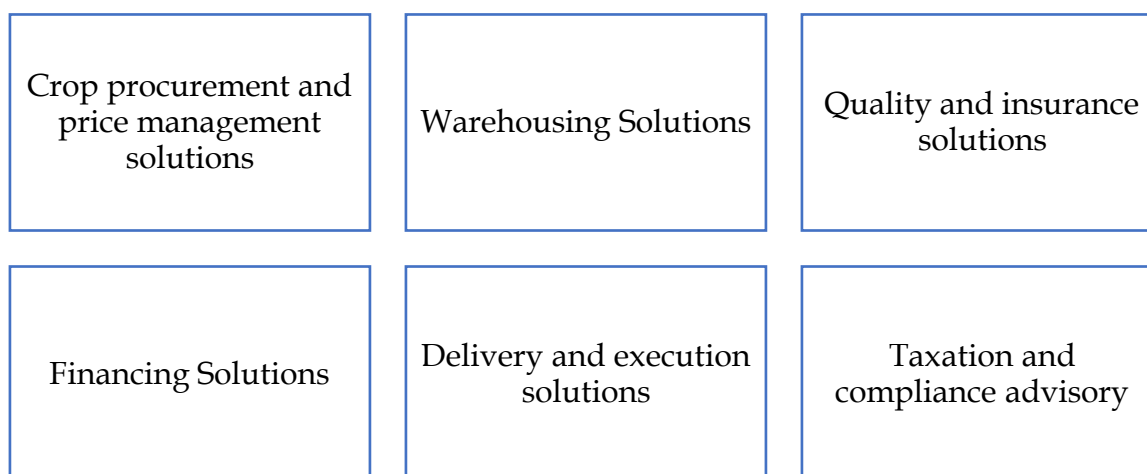


We believe that through our platform, we will be able to increase our efficiency and our capability to service our clients, by integrating our offline infrastructure with our digital presence. Our platform will centralise our operations and will enable our customers to connect with us in one single click. In addition to our technology platform, we also intend to set up a customer care center in Mumbai, which will be responsible for, *inter alia*, (i) negotiating and executing contracts between buyers and sellers; (ii) addressing complaints of our customers in relation to the technology platform; (iii) assessing the credibility of the customers and intermediaries prior to onboarding them on the platform; and (iv) coordinating with quality, insurance, warehousing, finance and logistical agencies for contract execution. The contract centre will also be responsible for business development by undertaking continuous dialogue with our customers and intermediaries. We intend to utilise a portion of the Net Proceeds towards funding costs relating to (i) rent and security deposit for obtaining a lease for branch offices and customer care centers; (ii) hiring technical staff to operate in the branch offices and customer care centers; and (iii) purchasing desktops, laptops and tablets for the staff. undertaking investing in our technology infrastructure and human resources towards development of the commodity platform of our Company. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

A brief overview of the services provided by our Company (through physical and online mode) have been provided below:

*Integrated cash and carry services:*

We offer fully integrated and end to end cash and carry services to our customers, who mainly are investors in the commodities market. Our integrated service offerings include the following:



In addition to the above, we also offer taxation and registration services to our customers by managing taxes incurred by them during the investment process such as, mandi tax, goods and services tax, *etc.*, and advising them about the registrations to be obtained for undertaking investments in the commodities market.

*Domestic and import financing:*

In order to supplement our cash and carry services, we have created a separate service offering wherein we offer financing assistance through warehousing receipt finance to our customers from banks and non-banking financing institutions for the purpose of procuring crops. Additionally, we also offer import and export financing assistance wherein we arrange funding for our customers to purchase goods exported from overseas, cover their expenses while they wait for their products to arrive, thereby bridging the gap between the purchase and delivery time of goods. Owing to the longstanding experience of our Promoters and Directors in the commodity markets, our Company has cultivated a professional understanding with banks and financial intuitions for the purpose of offering financing solutions to our customers.

In order to offer integrated cash and carry services, our Company has cultivated long standing relationships with contract merchants in Mandis located across Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh and Telangana. We have also set up branch offices in the aforementioned states. Our employees at our branch offices execute contracts of our customers by arranging for procurement, quality testing, warehousing and delivery in the aforementioned regions. Our employees

in our branch offices also undertake marketing of our services to prospective customers in their respective regions and also inform our existing customers about the technology platform developed by our Company.

Physical deliveries are an important aspect of cash and carry services and hence an efficient warehousing system is paramount for the integrity of our operations. The warehousing system and warehouse receipts act as a chain, connecting farmers with buyers and other intermediaries. Commodity exchanges approve warehouses which are managed by warehouse service providers (“WSPs”). These warehouses need to be accredited by Warehousing Development and Regulatory Authority (“WDRA”). Our Company has informal arrangements with WSPs who are registered with the Exchanges as an approved WSP. As part of our warehousing solutions, we offer both registered warehouses and unregistered warehouses, to our customers for storing the commodities procured. We ensure that the unregistered warehouses are also obtained from approved WSP to ensure optimum quality of our warehousing solutions. In addition to offering warehousing solutions we also undertake regular inspections at the warehouse to ensure that the commodity is in proper condition. We have informal tie ups with various institutions who offer insurance services and by connecting them with our customers, we help our customers in obtaining a full cover insurance equalling the value of goods stored with the WSP against all potential perils relevant to the commodities. We have also cultivated informal tie ups with intermediaries such as third party quality testing agencies and logistics service providers, to enable our clients in seamlessly purchasing and selling commodities.

In order to create our brand presence and to create awareness of our platform and service offerings, we engage in various marketing meets. Our teams stationed at our branch offices, in order to onboard additional traders and FPOs, holds marketing events and meets in various states to onboard them on our offline and online offerings. Through our marketing activities, we believe we will be able to expand our geographical presence and offer a diverse range of procurement solutions on our platform.

We are led by a group of individuals, having a strong background and extensive experience in the agri-commodity industry. Our Promoter, Rupesh Dalal was associated with Multi Commodity Exchange of India Limited, where he had jointed in the capacity of a manager – business development and was promoted to the position of assistant vice president – product knowledge management. He has more than two decades of experience in the commodities market, quality management, futures contract execution and warehouse management. Under his guidance, our Company has been able to achieve a dynamic service and customer portfolio. He is responsible for expanding business horizons, corporate strategy, leadership and management, financial performance across verticals, stakeholder relations, innovation and growth, identifying new opportunities and risk management. We have an experienced and professional management team with strong management and execution capabilities and considerable experience in the industry. For further details, please refer the chapter titled “*Our Management*” beginning on page 153 of this Draft Red Herring Prospectus.

Our revenues from operations for the period ended January 31, 2024 and the Fiscals 2023, 2022 and 2021 were ₹ 1,657.99 lakhs, ₹ 6,680.41 lakhs, and ₹ 1,001.27 lakhs, ₹ 312.60 lakhs, respectively. Our EBITDA for the period ended January 31, 2024 and the Fiscals 2023, 2022 and 2021 were ₹ 219.95 lakhs, ₹ 57.09 lakhs, ₹ 12.08 lakhs and ₹ 21.33 lakhs, respectively. Our profit after tax for the period ended January 31, 2024 and the Fiscals 2023, 2022 and 2021 were ₹ 182.81 lakhs, ₹ 33.88 lakhs, ₹ 8.25 lakhs and ₹ (3.01) lakhs, respectively. For further details, please refer to the section titled “*Financial Information*” on page 174 of this Draft Red Herring Prospectus.

## OUR SERVICES AND PROCESS

We deal in the following commodities as part of our integrated cash and carry services across the commodity procurement value chain :

S. No.	Name of Commodity	Variety 1	Variety 2	Variety 3	Variety 4	Variety 5	Location	Suppliers
1	Kabuli Chana	40-42	42-44	44-46	-	-	Indore	Labhanshi Multitrade Private Limited
2	Inshell Almond (Imported)	Blue Diamond	Schlokas	-	-	-	California	Riva International
3	Bengal Gram	Desi Chana	Katawala	Vijay	Annagiri		Bikaner, Akola, Latur, Gonadal	Natural Food Products
4	Urad (Black Matpe)	FAQ	Sq	-	-	-	Vidisha,	Prakash Agro Mills
5	Toor	Lemon	Mozambic	Pink	Gavrani		Baramati, Kalaburagi	Solanki Proteins

S. No.	Name of Commodity	Variety 1	Variety 2	Variety 3	Variety 4	Variety 5	Location	Suppliers
6	Wheat	Malavraj	Faq	Lokwan	Purna		Shahjahanpur, Lucknow, Raebareli (UP)	Bafna Ginning Factory/ Prem Trading Company/HNT Foods/Laxminarayan Ginning & Pressing Factory/Riddhi Siddhi Cotex Private Limited /Bhagwati Traders/SB Industries
7	RM seed	Salonio	-	-	-	-	Shri Ganganaga, Tonk, Hanumangarh (Rajasthan)	Ample Overseas/Supreme Solvex/Arihant Corporation/ K D Exports
8	Coriander	Scooter	Eagal	Badami	-	-	Kota, Gonadal,	Eyal Commodeal Private Limited
9	Castor Seed	GAUCH-1	GCH-2	GCH-4	DCH-32	TMVCH-1	Deesa Gujarat	Laxmi Corporation
10	Cotton Bales	MCU-5	BUNNY/B RAHMA	SHANKAR -6	H-4/MECH-1	-	Maharashtra - Yawatmal, Jalna, Aurangabad, Jalgaon. Gujarat-Surendranag, Rajkot, Adilabad. Warangal, Telangana, Guntur, Andhra Pradesh	SK Cotton Company
11	Maize	Ambrosia Hybrid Corn.	Jubilee Hybrid Corn.	Honey Select Hybrid Corn	-	-	Maharashtra - Jalgaon, Karnataka-Bidarb, Vijayapura	Sacchiya Traders/ Dhanshri Traders/Aasiya Traders/Sumangal trading Company
12	Soyabean	NRC-86 (ahilya-6)	PS 1347, SL 688	Birsa Safed Soybean-2	-	-	Maharashtra - Latur, MP-Indore	Ishant Trading Company
13	Soyabean Meal	-	-	-	-	-	Maharashtra - Latur, MP-Indore	Shree Nahesh Oil Refinery
14	Turmeric	SUVARNA	SUGUNA	SUDARSHANA	IISR PRABHA	-	Nizamabad-Telangana Maharashtra - Sangli	Neelkanth corporation/Shree commodities/Rohit Enterprises
15	Chana Dal	desi/kala chana	safed /kabuli chana	-	-	-	Bikaner, Akola, Latur, Gonadal,	Vraj Export
16	Guar Gum	HG-75	-	-	-	-	Rajasthan-Bikaner, Jodhpur	Madhav Enterprises
17	Guar Seed	KACHAN BAHAR(M083)	-	-	-	-	Rajasthan-Bikaner, jodhpur	DJ Industries/Parmeshwar/ Agrotech/
18	Cotton seed oil Cake	-	-	-	-	-	Gujarat-kadi, Maharashtra Akola, Adilabad. Warangal, Telangana, Guntur, Andhra Pradesh	Shri Hari Oil industries/ Jagdamba Industries
19	Barley	JYOTI	AMBER (K71)	RS 6	-	-	Rajasthan-Jaipur	Shree Vinayak Enterprises



S. No.	Name of Commodity	Variety 1	Variety 2	Variety 3	Variety 4	Variety 5	Location	Suppliers
20	Jeera	RZ-19	-	-	-	-	Gujarat- Unjha , Rajasthan- Jodhpur	Jabs International Private Limited
21	Moong Dal	yellow , split green moong	Whole green Moong Dal	-	-	-	Rajasthan- Hanuman Garh,	Jindal Dal Mill
22	Moth	RMO-257	GMO 1	Maru Bahar (RMO 435)	-	-	Nagar, Rajasthan, Gujarat	Baba Ramdev Agro Industries
23	Bajra	HHB-146	ICMH-356	-	-	-	Jaipur, Jaisalmer, Bikaner, Shri Ganganagar Alwar(Rajas than	Grameena Horticulture Farmers Federation Limited
24	Paddy	Partheeksha (ORS-201-5) (IET-15191)	Naveen (CR-749-2- 2) (IET- 14461)	-	-	-	Shahjahanpu r district UP, West Bengal, Punjab	Ahmad Rice Mills/Shree Rameshwar Lal Food Private Limited
25	Pegion Peas	Amar	Azad	Asha (IPCL - 87119)	-	-		Simara Foods Private Limited
26	Black Pepper	Malabar	-	-	-	-	Kerala- Kochi, Karnataka- Kodagu	Treenuts International
27	Red Chilli	Bhut Jolokia	Kashmiri Mirch	-	-	-	Guntur- Andhra Pradesh	Alapati Srinivasa Rao & Co, Vishwanath Traders,, Bose Babu Traders, Meeramchand Moolchand
28	Mentha Oil	-	-	-	-	-	Barabanki	Barabanki Biotech/Pace Commodity Brokers Private Limited
29	Rapeseed Meal	canola meal	-	-	-	-	Ganga Nagar, Tonk, Hanumangar h (Rajasthan)	Ample Overseas/Supreme Solvex/Arihant Corporation/K D Exports
30	Sufi Billet Steel/Steel Ingot	-	-	-	-	-	Raipur- Chhattisgarh	Bhagwati Power & Steel Limited
31	Sugar	S	M	-	-	-	Maharashtra - Kolhapur	JK Enterprises

### *Revenue Model*

In respect of our consultancy services, we charge a yearly margin of 1% or 2% on the profit earned by the client through the sale of commodities. Further, in respect of our trading model, we earn profit from the margin between the price of the commodities purchased and sold by us.

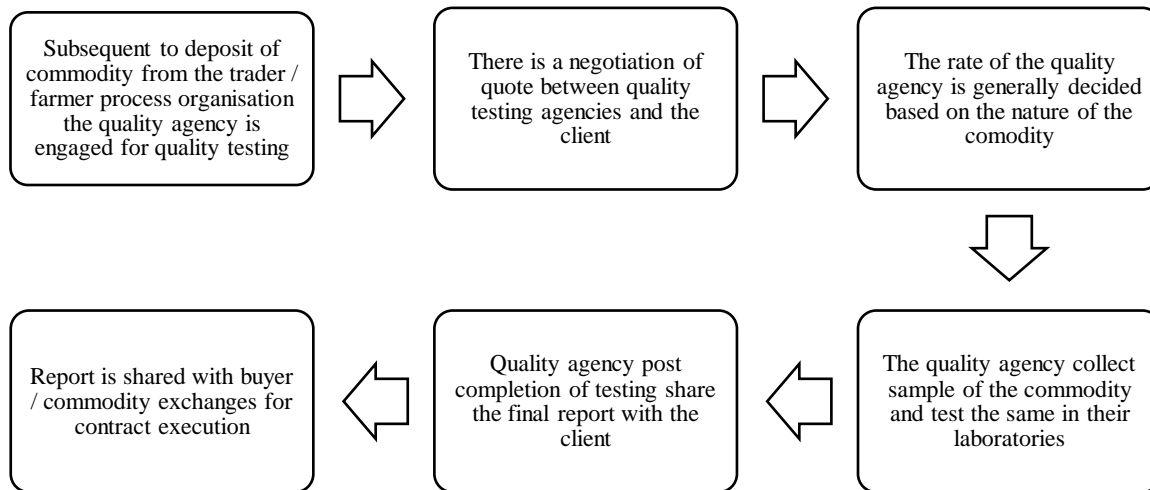
### *Quality testing Services*

Prior to execution of contract, the seller needs to ensure that the quality of the commodity is in line with the quality requirement prescribed by the buyer or the commodity exchange. Prior to procurement of the commodity, our Company ensures that we engage quality testing agencies, in order to obtain quality testing reports for the commodity purchased from the traders and other farmer produce organizations. The amount charged by the quality testing agencies for conducting tests depends on the commodity. For instance, the charges for oil and other liquid commodities is higher as compared to other solid commodities.

Key role of quality testing agencies is to inspect the commodity deposited by the seller by taking random samples from the stock, undertaking physical as well as chemical based sampling of each lots and providing quality certificates of the sample drawn by their team. These quality testing agencies have their own private labs, where they conduct tests on the

commodities of the seller. This final quality report is issued post completion of testing and these reports are submitted to the buyer/ on our platform prior to executing contracts for purchase of commodity.

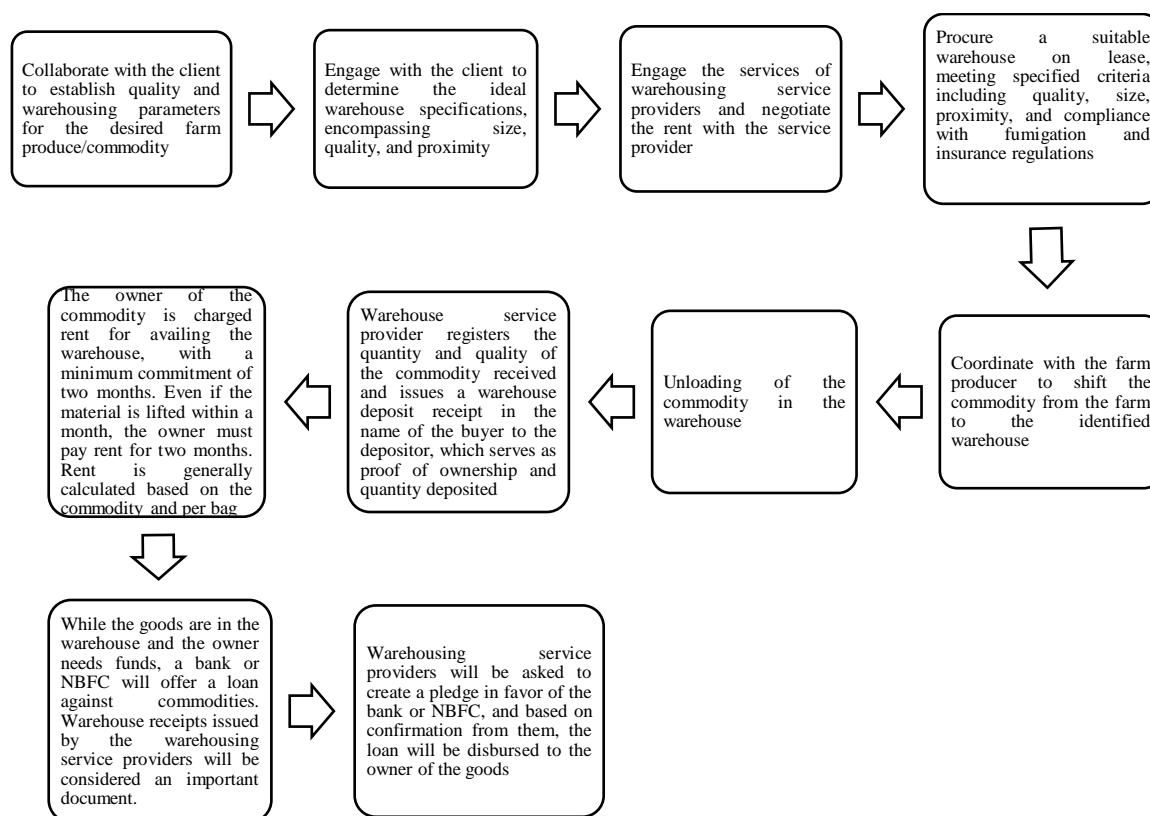
A brief process flowchart of our quality testing services has been provided below:



### *Warehousing Services*

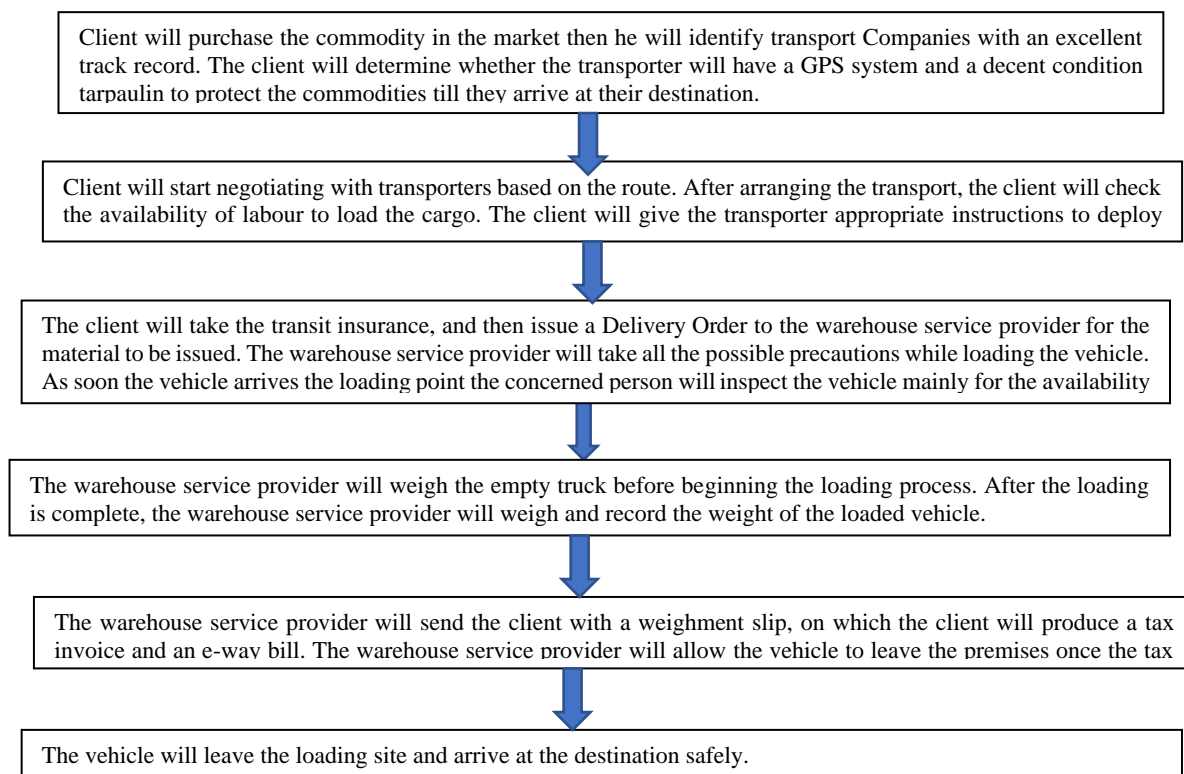
As part of our cash and carry services, we offer warehousing services, wherein we connect our customers with warehouse service providers, for storing their products until the execution of their contract. Our Company has cultivated informal arrangements with warehousing service providers, as per which we connect the service providers with our customers in lieu of a certain percentage of pre-decided commission.

A brief process flowchart of our warehousing services has been provided below:



### Logistical Services

As part of our cash and carry services, we offer logistical services, wherein we connect our customers with transport service providers, for transporting their commodities from the traders and farmer procurement agencies to warehouses and thereafter from warehouses to seller for contract execution. A brief process flowchart of our logistical services has been provided below:



## OUR STRENGTHS

### *Integrated service portfolio with in-house technology solutions*

We offer integrated cash and carry services, through digital and offline mediums across the agri-commodity value chain. We offer a bouquet of specialized services, including but not limited to, commodity procurement/selling, price negotiation and contract execution, quality testing, warehouse management, financing, insurance and transportation and sale execution (either to end user or through commodity exchanges).

We have created an online as well as offline presence. We have developed an interactive platform, wherein intermediaries from diverse locations can procure or sell agri-commodities. Presently, we have completed phase one of development of our technology platform, wherein we operate our platform for a limited number of users which primarily include commodity buyers and sellers and farmer producer organizations. As part of our online services, we offer a limited number of commodities through our platform which include, kabuli chana, inshell almond(imported), bengal gram, urad(black matpe), toor, wheat, rm seed, coriander, castor seed, cotton bales, maize, soyabean, soyabean meal, turmeric, chana dal, guar gum, guar seed, cotton seed oil cake, barley,, jeera, moong dal, moth, bajra,, paddy, pegion peas,, black pepper,, red chilli, mentha oil, rapeseed meal, sufi billet steel/steel ingot, sugar and service customers who place orders from various locations. In order to ensure that reliable and trustworthy intermediaries join our platform, we have created a registration process, wherein our teams verify the credentials and credit worthiness of an intermediaries before onboarding on our platform and issuing login details. We also have set up auto transaction limit, which ensures a low risk of transaction failure and breach of contracts.

Our platform connects buyers with sellers and traders and therefore provides them information and access to the procurement needs and price range of our customers in just a few clicks, thereby reducing the need for in-person interactions as the entire transaction process can be done on the platform. Through our digital platform accessed by numerous consumers, we believe that we will be able to gather unique consumer insights, including warehousing, quality, insurance and commodity need gaps for specific segments, that can be met efficiently and scaled over time.

As part of phase two of development of our technology platform, we intend to (i) further develop our platform by adding additional commodities for our customers and increasing the locations where we shall be offering services to our customers; and (ii) digitalising the remaining functions of our Company, in respect of quality management, warehouse management, insurance, warehousing finance and logistics. We intend to utilise a portion of the Net Proceeds towards undertaking investment in our technology infrastructure and human resources towards development of the commodity platform of our Company. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

As part of our offline service offerings, we have cultivated long standing relationships with traders and contract merchants in Mandis located across Rajasthan, Madhya Pradesh, Gujarat, Maharashtra, Uttar Pradesh and Telangana, who help us procure high quality commodity, in requisite quantities and at competitive prices. We have also stationed our employees in all the above locations for ensuring quality procurement and execution of contract through third parties such as warehouse service partners, quality testing agencies, etc. Our tie ups with warehousing service partners, insurance agencies and financial institutions, enable us in offering quality warehousing solutions, full cover for the commodities stored in the warehouse, and reliable warehousing receipt finance.

### *Asset-light business model.*

We have adopted what we believe to be a scalable, asset-light and less capital-intensive business model, wherein we have outsourced our key business operations, including quality testing, warehousing, insurance and financing. We believe that this asset light business model, enables us to direct all our efforts towards marketing, technical advancement and increasing our customer base. We have entered into informal arrangements with third party agencies for offering warehousing, quality, insurance and financing solutions to our customers. Our third party intermediaries execute key functions on our behalf and also provide us a commission for connecting them with our customers. The expense towards availing services from third party intermediaries is borne by our customers, thereby increasing our profit margin and reducing our working capital expenditure. Our asset light model reduces the direct responsibility of our Company and enables us to focus on marketing and sales. We believe that through our asset light model, we have significantly reduced our cost of investment and running our business, by outsourcing key responsibilities and functions and thereby have achieved greater flexibility to scale up our business faster than other asset-heavy companies. This quick scalability gives us a definite edge over other service providers in the market.

### ***Collaborative warehousing, insurance, finance and logistical counterparties***

As part of our offline model, we have informal arrangements with WSPs who are registered with the commodity exchanges as an approved WSP. As part of our warehousing solutions, we offer both registered warehouses and unregistered warehouses, to our customers for storing the commodities procured. We ensure that the unregistered warehouses are also obtained from approved WSP to ensure optimum quality of our warehousing solutions. In compliance with the guideline of the commodity exchanges, we also guide our customers for securing the commodity by way of an insurance. We have informal tie ups with various institutions who offer insurance services and by connecting them with our customers, we help our customers in obtaining a full cover insurance equalling the value of goods stored with the WSP against all potential perils relevant to the commodities. We have also cultivated informal tie ups with intermediaries such as third party quality testing agencies and logistics service providers, to enable our clients in executing the contracts with the commodity exchanges. We provide our warehousing, insurance, finance and logistical counterparties with access to the large consumer bases to enhance their sales, and in lieu of this, they offer us a commission at a pre-decided rate. Our arrangements with diverse counterparties makes our offerings integrated and result oriented.

### ***Well experienced management team with proven track record***

We are led by a group of individuals, having a strong background and extensive experience in the specialized business segments we operate in. Our Promoters have been associated with us since the inception. He is the founding member and is actively involved in the strategic decision making for our Company, pertaining to corporate and administrative affairs, financial operations, expansion activities, business development and management of overall business. We have an experienced and professional management team with strong management and execution capabilities and considerable experience in the industry. The team comprises of personnel having knowledge of agri-commodities, contract execution, technological capabilities and business development experience. We have employed suitable staff to manage key areas of activities allied to our operations. We believe the stability of our management team and the industry experience brought in coupled with their strong reputes, will enable us to continue to take advantage of future market opportunities and expand into new markets. For further details of the educational qualifications and experience of our management team and our Key Managerial Personnel please refer the chapter titled “*Our Management*” beginning on page 153 of this Draft Red Herring Prospectus.

## **OUR STRATEGIES**

### ***Investment in technology infrastructure and employee base***

With an intent to digitalise the operations of our Company, in the year 2023, our Company created a digitally native, technology led platform to offer an interactive procurement, selling and execution services, across our various offerings to our customers. We had proposed to develop our platform in two phases, out of which the first phase has been completed by our Company. As part of our first phase, our Company has developed an interactive platform on our website, which can be accessed by our sellers, buyers and stockists by easily registering by making payment of a nominal fee and, upon verification, start using the platform through separate login ids. The platform has been equipped to facilitate interaction between end users/ processors for negotiation and execution of contract, procurement or selling of commodities at pre-determined prices and placing service requests with us in respect of our cash and carry services. At present the platform has been equipped to be used by the buyers and sellers of commodities. Further, at present the platform provides options for placing buying and selling orders for a limited number of commodities and contract finalisation. The remaining functions, in respect of quality management, warehouse management, insurance, warehousing finance and logistics are undertaken physically by our employees.

As part of phase two, we propose to digitalise all of our operations of our cash and carry model and develop a mobile application, wherein the features of our platform would also be available on the phones of our customers and users. Through our mobile application we intend to provide omni-channel digital offerings, with fully integrated one click actions, through mobile, web and desktop versions. Accordingly, we intend to continue to invest and utilise ₹ 339.52 lakhs from the Net Proceeds towards developing, expanding and enhancing our technological capabilities by (i) developing our website and mobile application; (ii) hiring of employees for operation and maintenance of technical infrastructure; and (iii) purchasing subscription of server for hosting the technical platform and mobile application. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

### ***Setting up of customer care centers and branch offices***

Subsequent to development of our technology platform, we intend to centralize our operations digitally by setting up a customer care center. Accordingly, we propose to set up a customer care center in Mumbai, which will be responsible for, *inter alia*, (i) negotiating and executing contracts between buyers and sellers; (ii) addressing complaints of our

customers in relation to the technology platform; (iii) assessing the credibility of the customers and intermediaries prior to onboarding them on the platform; and (iv) coordinating with quality, insurance, warehousing, finance and logistical agencies for contract execution. The contract centre will also be responsible for business development by undertaking continuous dialogue with our customers and intermediaries.

Further, in order to market our platform and our services, we intend to set up branch offices in Ahmedabad and Hyderabad, wherein our employees would on a regular basis contact traders, farmers produce organizations and other sellers to join our platform. At present we have set up branch offices at Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh and Telangana, and we intend to set up additional two branch offices in Ahmedabad and Hyderabad. In addition to marketing and selling our services, the employees who shall be stationed at our branch offices shall also be responsible for executing the contracts of our customers by arranging for procurement, quality testing, warehousing and delivery in the aforementioned regions. We intend to utilise upto ₹ 117.24 lakhs from the Net Proceeds towards funding costs relating to (i) rent and security deposit for obtaining a lease for branch offices and customer care centers; (ii) hiring technical staff to operate in the branch offices and customer care centers; and (iii) purchasing desktops, laptops and tablets for the staff. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

### ***Strengthen our marketing network***

We continue to enhance our business operations by ensuring that our customer base increases through our marketing efforts. We believe that our ability to customize our offerings for the various applications by our customers can help us diversify our operations across different customer segments. Our core competency lies in the thorough understanding of our customers’ needs and preferences, our vision to engage in sustainable practices and providing unparalleled quality of our offerings thereby achieving customer loyalty. We intend to strengthen our existing marketing team by inducting qualified and experienced personnel, who will supplement our existing marketing strategies.

We would aim our business strategies to be dynamic and proactive, given the macro and micro market environments in which we operate or where we may expand in the future. Our Company shall always strive to:

- achieve maximum operational efficiency;
- strengthen and expand our market position and service portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our network of traders, FPOs, customers and geographical reach.

### ***Enhancing our relationships with third party intermediaries***

We aim to enhance the growth of our operations by leveraging our relationships and further increasing the numbers of intermediaries through which we execute our operations. We anticipate that with the completion of development our technology platform, there will be an increase in the contracts which will be executed by our Company. Accordingly, we intend to leverage our relation with our intermediaries by booking warehouse spaces to execute orders in an efficient and timely manner. In order to ensure effective and timely execution of future contracts through our technology platform, we intend to book warehouse spaces in different cities for our customers, by paying security deposit to GoGreen Warehouse Private Limited. We propose to utilise an amount upto ₹ 40.00 lakhs towards booking warehouse space with GoGreen Warehouse Private Limited. We believe that our continued relationship with intermediaries will enable us in seamlessly executing our quality management, warehouse management, insurance, warehousing finance and logistics operations. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

Further, prior to hosting the technical platform, our Company shall be executing formal arrangements with the intermediaries for warehousing, quality, insurance, finance and logistics services. The arrangements would enable them to display their facilities, services, location of services on our platform. Pursuant to such integration, sellers and buyers would be able to directly negotiate prices with our intermediaries and request for services through the technology platform.

### ***Retain and attract the best talent and develop a performance focused culture***

Our employees are critical to our business. We believe that the key to our success will be our ability to continue to maintain and grow a team of talented and experienced professionals. We intend to continue placing special emphasis on attracting, training and retaining our employees. We have been successful in building a team of talented professionals and intend to continue placing emphasis on managing attrition and attracting and retaining motivated employees. We intend to increase our employee base for (i) operating and maintaining our technical platform; (ii) marketing and selling our services in our proposed branch offices and (iii) providing contract execution and technical support services in the proposed customer center. We intend to utilise a portion of the Net Proceeds towards recruiting such employees for

executing the operations of our Company. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

We will continue to help our employees develop understanding of our customer-oriented corporate culture and service quality standards to enable them to continue to meet our customers’ changing needs and preferences. We will continue to regularly review and update our employee compensation plans and bonuses based on their individual performance so that our employees are suitably incentivised. We also intend to continuously re-engineer our organisation set up towards lean structure to allow us to respond effectively to changes in the business environment of our markets.

## REVENUE BREAK UP

Top ten customer for the period ended January 31, 2024 and for last three financial years are as under:

### Period ended January 31, 2024

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Frisk Projects Pvt. Ltd	445.00	27
Equentia Trade Solutions Private Limited	312.64	19
D J Industries	163.22	10
Trinity Enterprises	131.99	8
Yenher Agro-Products SDN	118.54	7
Solanki Agro	112.36	7
Aarav Tradelink	93.18	6
M/S Deepa Enterprises	61.43	4
H N Comtrade	55.56	3
Parmeshwari Agrotech	52.20	3
<b>Total</b>	<b>1546.12</b>	<b>94*</b>

\*Percentage from Revenue from Operations

### Fiscal 2023

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Smartpaddle Technology Private Limited	3892.28	58
Smartpaddle Technology Pte Ltd- Singapore	590.19	9
Riddhi Siddhi Cotex Private Limited	563.04	8
Siddhi Fibers	406.50	6
Harichandana Cottons Pvt Ltd	254.61	4
Frisk Projects Pvt. Ltd.	181.50	3
R.S Fibers	179.82	3
Yenher Agro-Products Sdn	129.60	2
Natural Food Products	103.81	2
Manjeet Cotton Pvt Ltd	90.00	1
<b>Total</b>	<b>63,191.36</b>	<b>96*</b>

\*Percentage from Revenue from Operations

### Fiscal 2022

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Smartpaddle Technology Private Limited	412.55	41
Manjeet Cotton Pvt Ltd	160.00	16
Findoc Investmart Private Limited	81.43	8
Vikas Trading Company	80.55	8
Frisk Projects Pvt Ltd	80.00	8
Neelkanth Corporation	54.19	5
Harichandana Cottons Pvt Ltd	49.98	5
Green Agrevolution Private Limited	25.15	3
Rg Atul Comtrade Limited	19.64	2
SHREE COMMODITIES	17.04	2
<b>Total</b>	<b>980.54</b>	<b>98*</b>

\*Percentage from Revenue from Operations

## Fiscal 2021

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Frisk Projects Pvt Ltd	210.00	67.20
Prakash Agro Mills	41.41	13.20
Inditrade Business Consultants Limited	40.72	13.00
Kushal Industries Ltd	19.22	6.10
S.K. Cotton company	1.26	0.40
<b>Total</b>	<b>312.61</b>	<b>100.00*</b>

\*Percentage from Revenue from Operations

A state wise revenue break up for the period ended January 31, 2024 and for last three financial years is provided below:

(₹ in lakhs)

State	January 31, 2024		March 31, 2023		March 31, 2022		March 31, 2021	
	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations
Maharashtra	1207.05	72.80	4629.91	69.31	628.55	62.78	230.47	73.73
Rajasthan	215.42	12.99	94.67	1.42	0	0.00	0	0.00
Madhya Pradesh	61.43	3.71	0	0.00	0	0.00	0	0.00
Gujarat	55.56	3.35	492.83	7.38	60.5	6.04	82.13	26.27
Telangana	0	0.00	736.74	11.03	201.77	20.15	0	0.00
Uttar Pradesh	0	0.00	6.47	0.10	110.45	11.03	0	0.00

## OUR SUPPLIERS

Top ten suppliers for the period ended January 31, 2024 and for last three financial years are as under:

### Period ended January 31, 2024

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Aaryaveer Oil Industries Pvt Ltd/ Mh	240.55	22.48
Eyal Commodeal Pvt Ltd	270.54	25.29
Pinaka International Pte.Ltd	124.98	11.68
Solanki Proteins	108.29	10.12
Shreeji Ginning & Pressing	61.75	5.77
M/S Yash Traders	60.75	5.68
Laxmi Cotton Corporation	36.83	3.44
Dev Trading Company	31.80	2.97
Ila Commodities India Private Limited	30.73	2.87
Madhukar Ganpat Sonwane	25.55	2.39
<b>Total</b>	<b>991.77</b>	<b>92.70</b>
<b>Total Purchase</b>	<b>1069.93</b>	

## Fiscal 2023

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Bajaj Agro Industries	2894.53	47.18
Sunstar Extraction Pvt Ltd	448.38	7.31
Ishant Trading Company	408.68	6.66
Rohit Enterprises	355.09	5.79
Shree Commodities	219.48	3.58
Manohar Sarda Foods Pvt Ltd	174.79	2.85
Shree Vallabh Enterprise	174.45	2.84
H N Comtrade	123.57	2.01



Natural Food Products	121.59	1.98
Somnath Trading	118.57	1.93
<b>Total</b>	<b>5,039.13</b>	<b>82.13</b>
<b>Total Purchase</b>	<b>6,135.67</b>	<b>100</b>

## Fiscal 2022

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Shree Commodities	211.54	23.23
Dhanuka Soya Pvt Ltd	100.73	11.06
Barabanki Biotech	81.17	8.91
Frisk Projects Pvt. Ltd (Hyd)	75.63	8.30
Neelkanth Corporation	48.81	5.36
Bansal Extraction & Export Pvt Ltd	38.99	4.28
Rohan Trading Company	37.92	4.16
Aasiya Traders	35.46	3.89
Sumangal Trading Company	33.62	3.69
Shree Mahesh Oil Refinery	30.82	3.38
<b>Total</b>	<b>694.69</b>	<b>76.28</b>
<b>Total Purchase</b>	<b>910.70</b>	<b>100</b>

## Fiscal 2021

Name of the customer	Revenue earned (₹ in lakhs)	% of total revenue
Inditrade Business Consultants Limited	40.72	41.20
Vraj Export	39.10	39.56
Labdhi Jewellers	19.02	19.24
<b>Total</b>	<b>98.84</b>	<b>100</b>

## OUR EQUIPMENT

As on date of this Draft Red Herring Prospectus, we do use any equipment in our business operations.

## CAPACITY UTILIZATION

Our capacity depends on our workforce and not in any fixed output from plant & machinery and hence capacity and capacity utilization cannot be determined.

## COLLABORATIONS/ JOINT VENTURES

Except as disclosed in this Draft Red Herring Prospectus, we do not have any Collaborations or Joint Ventures.

## EXPORT AND EXPORT OBLIGATION

Our Company does not have any export obligation as on date.

## OFFICE AND FACILITIES

Our Registered Office is located at

F69, X<sup>th</sup> Central Shopping Centre,  
Mahavir Nagar, Kandivali West,  
Mumbai - 400 067,  
Maharashtra, India.

We also have five branch offices at Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh and Telangana.

## POWER

Our Company requires power for the normal requirement of the Registered Office and branch offices for lighting, systems etc. Adequate power is available which is met through the electric supply.

## WATER

Water is required for human consumption at office and adequate water sources are available from municipal water supply. The requirements are fully met at the existing premises.

## HUMAN RESOURCES

Our Company believe that our employees are key contributors to our business success and its ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on May 31, 2024, our Company has 19 employees on payroll. A division-wise break-up of our employees is provided below:

Departments	Number of employees
Top Management	2
Accounts and Finance	2
Human Resources and Administration	1
Legal and Compliance	1
Sales & Marketing	4
IT & Infra	1
Operation Team	8
<b>Total</b>	<b>19</b>

## MARKETING

We have also set up branch offices in Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh and Telangana. Our employees stationed at our branch offices regularly conduct dialogue with the traders and farmer processing organisations to onboard them as a procurement source for our clients and to market our digital platform to them, where they can register as sellers for executing contracts with various buyers directly. Our employees also build relations with warehousing service providers, quality testing agencies and transportation providers to increase our customer base. Our employees continuously make follow-ups to traders and farmer processing and other intermediaries, in order to garner clients and intermediaries. Due to the network and expertise in the industry of our employees, we have been able to expand our operations to Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh and Telangana. The efficiency of the marketing and sales network is critical success factor of our Company.

## Insurance

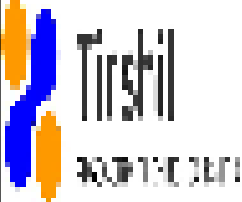

We maintain insurance coverage under various insurance policies for, securing our vehicles and our employees. We believe that we maintain all material insurance policies that are customary for companies operating in our industry. The insurance policies are reviewed periodically to ensure that the coverage is adequate. Although we attempt to limit and mitigate our liability for damages our insurance may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages. For further details, please refer to “*Risk factors*” on page 25 of this Draft Red Herring Prospectus.

## Intellectual Property Related Approvals

### *Trademarks:*

Our Company has applied for registration of the following trademarks:

Sr No.	Original Trademark Name	Application No.	Class	Current Status
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1		6351584	35	Accepted & Advertised
2		6351585	42	Accepted & Advertised

### **Land and Property**

We do not own any freehold property.

We carry out our business operations from leasehold properties, details of which are as under:

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Leave and License Agreement made and executed on March 16, 2024 at Mumbai between Desai Nehar R, (“ <b>Licenser</b> ”) and our Company	Corporation: Mumbai, Other Details: Shop No: F/69, Floor No.: 1 <sup>st</sup> , Building Name: X <sup>th</sup> Central Mall, Block, Sector: Kandivali West, Mumbai 400067, Road: Mahavir Nagar, City: Kandivali, District: Mumbai	Rs. 48,000 (Forty-Eight Thousand Only) per month for the first 3 months, Rs. 50,000 (Fifty Thousand Only) per month for the next 11 months, and Rs. 52,500 (Fifty-Two Thousand and Five Hundred Only per month for the next 11 months.)  Payment of Deposit: Rs.2,00,000 (Two Lakh Only)	From March 15, 2024 to April 14, 2026.	Registered Office
2.	Rent agreement dated May 1, 2024 between Vipin Patel (“ <b>Landlord</b> ”) and our Company (“ <b>Tenant</b> ”)	Shop Number 2 (first floor) located in village Harakh Nawabganj, Uttar Pradesh.	Monthly rent Rs.1500 (Rupees Fifteen Hundred Only)	From May 1, 2024 until April 30, 2025	Branch Office
3.	Rent Agreement dated May 1, 2024 between Janki Devi, W/o Shri Chandra Mohan (“ <b>Landlord</b> ”) and our Company (“ <b>Tenant</b> ”)	D-4-93, Vishnu Gaarden, Khokhawas, Tonk Road, Jaipur (Rajasthan)- 302011	Monthly rent Rs.5000 (Rupees Five Thousand Only)	From May 1, 2024 until April 30, 2026	Branch Office
4.	Rent Agreement dated May 8, 2024 between Chandrakala Nagla, W/O Mr. Late Shiv Narayan Nagla (“ <b>Lessor</b> ”) and our Company (“ <b>Lessee</b> ”)	H. No.: 6-26-1405(Old) 6-26-134 (New) admeasuring an area of 570 Sq.ft., Gurbabadi Road, Beside Sadanand Garden, Nizamabad-503002, Telangana	Monthly rent of Rs. 3000 (Rupees Three Thousand Only)	From May 8, 2024 until March 31, 2025	Branch Office
5.	Rent agreement executed on May 13, 2024 between	Office No.: 206, located on the second floor of Shanay-2, opposite	Monthly rent is Rs. 5,000 (Rupees Five Thousand Only),	From January 15, 2024, until January 13, 2025.	Branch Office

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
	Manjeet Cotton Pvt. Ltd. through Karan Rajpal (“ <b>Lessor</b> ”) and our Company (“ <b>Lessee</b> ”).	Gandhigram Railway Station, behind Honda Service, in the Mouje Ashram Road area, Taluka City, District Sub-District Ahmedabad.	inclusive of Municipal Tax and Maintenance.		
6.	Rent agreement executed on May 1, 2024, effective from March 1, 2024 between Renu Asopa (“ <b>Lessor</b> ”) and our Company (“ <b>Lessee</b> ”).	Ward No 12, Jain Mandir Gali, Ganj Basoda, Vidisha, Madhya Pradesh, 464 221	Monthly rent is Rs. 2,500 (Rupees Five Thousand Only), inclusive of Municipal Tax and Maintenance.	From March 1, 2024 until January 31, 2025.	Branch Office

We confirm that there are no conflict of interest between the lessor of the immovable properties, (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and Group Company and its directors.

## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

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

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

### **A. INDUSTRY RELATED LAWS AND REGULATIONS**

#### ***Maharashtra Agricultural Produce Marketing (Regulation) Act, 1963 ("Act")***

The Act provides for establishment of National Integrated Produce Market (the “**Authority**”). The Authority enjoys several powers under the Act. The Act regulates the working and marketing of agricultural produce in the state of Maharashtra. The Act governs the establishment of market committees in every district and town in the state of Maharashtra. The Market Committees are obligated with several administrative functions, powers and duties. The Act empowers the Market Committee to grant or suspend licenses of the agents who are running their business relating to agricultural produce in the defined market areas. The Act also provides for constitution, election and term of the market committee and its officials. The state government is provided with powers to make rules and notify designated areas for agricultural produce marketing and trade. The Act establishes the State Agricultural Marketing Board for the regulation of the agricultural produce and market Committee in the state of Maharashtra. The Act prescribes a mechanism for settlement of disputes and execution of contracts. Any person acting as a commission agent or trader under the market is required to adhere to all the provisions and rules made under it, and non-adherence shall invite penalties that are stipulated under the Act. The Act also provides for formation of market fund and prescribes manner in which the fund to be invested for the development and promotion of agricultural-related activities.

#### ***Agricultural and Processed Food Products Export Development Authority Act, 1985 ("APEDA Act")***

The APEDA Act provides for the establishment of the Agricultural and Processed Food Products Export Development Authority for the development and promotion of the export of certain agriculture and processed food products. APEDA has signed multiple MoUs with different institutions engaged in agri-trade and agri-infrastructure to foster cooperation in the areas of critical technology intervention requirements for organic as well as chemical/residue-free production systems; development of Common Processing Centers; effectively supporting the entire value chain system in clusters identified under the Agriculture Export Policy (AEP). The APEDA Act provides for imprisonment and monetary penalties for breach of its provisions. Further, Agricultural and Processed Food Products Export Development Authority Rules, 1986 have been framed for effective implementation of the APEDA Act and provide for the application, grant and cancellation of registration to be obtained by exporters of agricultural produce

#### ***Essential Commodities Act, 1955***

The Essential Commodities Act, 1955 (“Act”) provides for the control of the production, supply and distribution of, and trade and commerce, in certain commodities. Coal including coke and other derivatives as well as iron and steel including manufactured products of iron and steel are essential commodities as per Section 2 of the Act. Section 3 of the Act confers extensive powers on the Central Government to make orders for achieving the primary objective of exercising effective control over the supply and equitable distribution of essential commodities at fair prices. The order made, under Section 3, by the Central Government may provide inter alia for regulating by licenses, permits or otherwise the production or manufacture of any essential commodity.

#### ***Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder***

The IT Act was enacted with the purpose of providing legal recognition to transactions carried out by various means of electronic data exchange involving alternatives to paper-based methods of communication and storage of information. The IT Act also seeks to facilitate electronic filing of documents and create a mechanism for the authentication of electronic records through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. It provides for extraterritorial jurisdiction over any offence or

contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

We are subject to civil liability to compensate under the Information Technology Act, 2000, for causing wrongful loss or wrongful gain to any person, while possessing, dealing, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by us due to negligence in implementing and/or maintaining reasonable security practices and procedures.

In April 2011, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“**DoIT**”), in exercise of its power to formulate rules with respect to reasonable security practices and procedures and sensitive personal data, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**SPDI Rules**”) in respect of Section 43A of the IT Act, which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. Under the SPDI Rules, sensitive personal data is defined to include personal information relating to passwords, financial information, medical records, biometric information and so on. The SPDI Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The SPDI Rules further require that all such personal data be used solely for the purposes for which it was collected, and any collection or third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

### ***The Digital Personal Data Protection Bill, 2022 (“DPDP Bill”)***

The Ministry of Electronics and Information Technology released the new DPDP Bill on November 18, 2022. Once passed and codified, the DPDP Bill will replace the existing data protection provision (Section 43A) of the IT Act. The Bill seeks to balance the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. All data fiduciaries, determining the purpose and means of processing personal data, are mandated to provide an itemised notice in plain and clear language containing a description of the personal data sought to be collected along with the purpose of processing such data. The DPDP Bill further provides that where consent is the basis of processing personal data, the data principal providing the consent, may withdraw such consent at any time. Data principals will have the right to demand the erasure and correction of data collected by the data fiduciary. Any data processed prior to such withdrawal shall be considered lawful.

The Bill introduces the concept of ‘deemed consent’ in instances where the data principal provides personal data (i) to the data fiduciary voluntarily, (ii) for performance of function under any law, or service or benefit to the data principal, (iii) in compliance with a judgment or order, (iv) responding to medical emergency involving threat to life or immediate threat to health of the data principal, (v) for provision of medical treatment or health services during an epidemic, outbreak of diseases or any other public threat to public health, (vi) for taking measures to ensure safety during any disaster or any breakdown of public order, (vii) for purposes related to employment including prevention of corporate espionage, maintenance of confidentiality of trade secrets, intellectual property, classified information, recruitment, termination of employee, or (viii) in public interest as defined in the Bill. It further imposes certain obligations on data fiduciaries including (i) implementation of technical and organisational measures to ensure compliance, (ii) adopting reasonable security safeguards to prevent personal data breach, (iii) ensuring that personal data processed is accurate and complete, (iv) informing the Data Protection Board of India (the “Data Protection Board”) regarding any personal data breach, (v) deleting or removing personal data no longer in use or necessary for legal or business purposes, (vi) publishing the business contact information of the data protection officer, (vii) implementing a grievance redressal mechanism to redress grievances of data principals, and (viii) processing of data under a valid contract. provides for the rights and duties to be complied with the data principals. The Bill provides for exclusive jurisdiction of grievances to the Data Protection Board, with a recourse to alternative dispute resolution mechanisms. Any form of non-compliance shall attract financial penalty as prescribed in Schedule I of the Bill.

### ***Shops and Establishments Legislations***

Establishments are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide

for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (the “Act”)***

The Act provides for the Levy and Collection of a Tax on Professions, Trades, Callings and Employments for the benefit of the State. Every person engaged in any profession, trade, calling or employment and falling under one or the other of the classes as segregated in the Act, shall be liable to pay to the State Government the tax at the rate mentioned against the class of such person. The tax payable under this Act by any person earning a salary or wage, shall be deducted by his employer from the salary or wage payable to such person, before such salary or wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such persons, be liable to pay tax on behalf of all such person. The Act mandates that every person, who is liable to pay tax, shall obtain a Certificate of Registration, and a Certificate of Enrolment from prescribed authority in prescribed manner.

### ***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (the “***T.P. Act***”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

### ***Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 (the “***Sale of Goods Act***”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

### ***The Registration Act, 1908***

The Registration Act, 1908 (the “***Act***”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or renting an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

### ***Indian Stamp Act, 1899***

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list mentioned in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Indian Stamp Act, 1899 (the “*Act*”), all others instruments are required to be stamped, as per the rates laid down by the State Governments. Stamp duty is required to be paid on such category of transaction documents laid down under the various laws of the states, which denotes that stamp duty was paid before the document became legally binding. The stamp duty has to be paid on such documents or instruments and at such rates which have been specified in the First Schedule of the Act. Instruments as mentioned in the said schedule of the Act, if are not duly stamped are not admissible in the court of law as valid evidence for the transaction contained therein. The Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the relevant authorities and validated by imposing of penalty on the parties. The amount of penalty payable on such instruments may vary from state to state.

#### ***Micro, Small and Medium Enterprises Development Act, 2006 (the “MSMED Act”)***

The MSMED Act aims to facilitate the promotion, development and enhancement of the competitiveness of Micro, Small and Medium Enterprises (“MSME”) and for matters connected therewith or incidental thereto. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as “Micro enterprise”, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; “Small enterprise”, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; “Medium enterprise”, where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees. All classes of enterprises, whether proprietorship, Hindu undivided family, association of persons, co-operative society, partnership firm, company or undertaking, by whatever name called can apply for the registration and get qualified for the benefits provided under the MSMED Act.

### **B. TAX RELATED LAWS**

The tax related laws that are applicable to our Company include the Customs Act, 1962, the Income Tax Act, 1961, the Income Tax Rules, 1962 and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations, and the Integrated Goods and Services Tax Act, 2017.

### **C. INTELLECTUAL PROPERTY LAWS**

#### ***Trade Marks Act, 1999***

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trade Mark Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled, and may be renewed indefinitely upon payment of renewal fees every ten years. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trade Mark (Amendment) Act, 2010 has been enacted by the Government to amend the Trade Mark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

In March 2017, the Trade Marks Rules, 2017 (“**Trade Mark Rules**”) were notified, in supersession of the Trade Marks Rules, 2002. The Trade Marks Rules brought with them some changes in the application process, in terms of an increase in application fees and common formats for multiple kinds of applications. However, the e-filing process has been incentivized by providing lower application fees.

### **D. FOREIGN TRADE RELATED LAWS**

#### ***Foreign Trade (Development and Regulation) Act, 1992, as amended (“Foreign Trade Act”).***

The Foreign Trade Act empowered the Central Government to make provisions for the development and regulation of foreign trade by way of facilitating imports into as well as augmenting exports from the country and in all other matters related to foreign trade. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. It is authorised to periodically formulate the Indian Foreign Trade Policy, 2015-20 (“**Foreign Trade Policy**”) and amend it thereafter whenever it deems fit. All



exports and imports are required to be in compliance with this policy. The Foreign Trade Policy provides for certain schemes for the promotion of export of finished goods and import of inputs. The Foreign Trade Act, read with the Foreign Trade Policy, also provides that no person or company can make exports or imports without having obtained an importer exporter code (IEC) number unless such person or company is specifically exempted. The IEC shall be valid until it is cancelled by the issuing authority.

### ***The Foreign Exchange Management Act, 1999 (“FEMA”) and regulations framed thereunder***

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEMA Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 per cent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

With effect from April 1, 2020, the aggregate limit shall be the sectoral caps applicable to Indian companies as laid out in paragraph 3(b) of Schedule I of FEMA Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. Further, in accordance with Press Note No. 4 (2020 Series), dated October 15, 2020 issued by the DPIIT, all investments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

### ***E. EMPLOYMENT RELATED LAWS***

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Draft Red Herring Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the

Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. A brief summary of the aforementioned laws have been provided below:

### ***The Code on Wages, 2019***

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

### ***The Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there under ("Schemes")***

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. 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.

### ***Employees State Insurance Act, 1948, as amended (the "ESIC Act")***

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers. Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the "**EPF Act**") The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

### ***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. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. 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 Maternity Benefit Act, 1961 (the “Act”)***

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

***F. GENERAL CORPORATE AND OTHER ALLIED LAWS***

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Sale of Goods Act, 1930, Consumer Protection Act, 1986, Anti-Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 2013 are also applicable to the Company.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

Our Company was incorporated on December 28, 2017 as '*Tirshil Enterprises Private Limited*', as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by the Board of Directors of our Company in their meeting held on November 21, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 12, 2023, the name of our Company was changed to '*Tirshil Algocomm Technologies Private Limited*' and a fresh certificate of incorporation dated December 29, 2023 was issued by the Registrar of Companies, Maharashtra at Mumbai. Further, pursuant to a resolution passed by the Board of Directors of our Company in their meeting held on November 21, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 12, 2023, our Company was converted into a public limited company and consequently the name of our Company was changed to '*Tirshil Algocomm Technologies Limited*' and a fresh certificate of incorporation dated January 10, 2024 was issued by the Registrar of Companies, Maharashtra at Mumbai. The corporate identification number of our Company is U74999MH2017PLC303433.

### **Change in registered office of our Company**

The Registered Office of our Company at the time of incorporation was situated at B-405 Vrindawan Building, Prem Vallabh CHSL, Opp Dattapada Fatak, Borivali West, Mumbai – 400 092, Maharashtra, India.

The details of changes made to our Registered Office post incorporation of our Company are provided below:

<b>S. No.</b>	<b>Effective date of change</b>	<b>Details of change</b>	<b>Reason(s) for change</b>
1.	March 4, 2018	The registered office of our Company was changed from B-405 Vrindawan Building, Prem Vallabh CHSL, Opp Dattapada Fatak, Borivali West, Mumbai – 400 092, Maharashtra, India to G-25, 10 <sup>th</sup> Central Shopping Centre, Mahavir Nagar, Kandivali West, Mumbai – 400 067, Maharashtra, India.	For administrative convenience
2.	November 1, 2020	The registered office of our Company was changed from G-25, 10 <sup>th</sup> Central Shopping Centre, Mahavir Nagar, Kandivali West, Mumbai – 400 067, Maharashtra, India to F69, X <sup>th</sup> Central Shopping Centre, Mahavir Nagar, Kandivali West, Mumbai - 400 067, Maharashtra, India.	For administrative convenience

### **Main Objects of our Company**

The main objects of our Company are as follows:

- To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere.*
- To carry on the business as exhibitors of various goods, services and merchandise and to undertake the necessary activities to promote sales of goods, services and merchandise manufactured/dealt with/provided by the Company.*
- To act as trader, agent, C & F agent, shipper, commission agent, distributor, representative, franchiser, consultant, collaborator, stockist, liasioner, job worker, export house of goods, merchandise and services of all grades, specifications, descriptions, applications, modalities, fashions, including by- products, spares or accessories thereof, on retail as well as on wholesale basis.*
- To render services as brokers, commission agents, importers and exporters, and to act as trustees, executors, administrators, managers, agents or attorney, to carry on the business of retail and institutional distribution of the schemes of the Mutual Funds or any other financial products issued by Banks, Mutual Funds or any financial intermediary, to contract for, and negotiate and Issue and participate in funding any public and private loans and advances, underwriting contracts, mortgages, equity participation, cash credits, overdrafts and other financial facilities if necessary, for such purpose or purpose to appoint and remunerate any offices of the company, other experts or agents.*
- To carry on the business of Software designing, development, customization, implementation, Maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions, and to import, export, sell,*

*purchase, distribute, host (in data centres or over the web) or otherwise deal in own and third Party computer software packages, programs and solutions, and to provide internet / web based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services on-site/offsite or through development centres using owned /hired or third party infrastructure and equipment, providing recruitment and HR related services, providing and taking personnel / consultants/ human resources to /from other organizations, providing solutions/ Packages/ services through applications services provider mode via internet or otherwise, to undertake IT enabled services like call Centre Management, Medical and legal transcription, data processing, Back office processing, Accounting, HR and payroll processing, Insurance claims processing, credit card processing, loans and letters of credit processing, cheque processing, data warehousing and database management, to carry on the business of manufacturing, dealing and maintenance of computer hardware, computer systems and assemble data processors, Program designs and to buy, sell or otherwise deal in such hardware and software packages and all types of tabulating machine, accounting machines, calculators, computerized telecommunication systems and network, their components, spare parts, equipment's and devices and to carry on the business of establishing, running and managing institutions, school, and academics for imparting education in computer technology, offering equipment, solutions and services for Networking and network management, data centre management and in providing consultancy services in all above mentioned areas.*

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

#### **Amendments to the Memorandum of Association**

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

<b>Date of shareholder's resolution</b>	<b>Nature of amendments</b>
October 31, 2022	<p><i>Clause III (b) of the MoA was amended to insert the following new sub-clause 33 to the said clause:</i></p> <p><i>33. Subject to the provisions of law in force &amp; the rules framed thereunder &amp; directives issued by RBI for the time being to receive money on loan and borrow or raise money in such manner as the company shall think fit, and in particular by the issue of debentures or debenture stock perpetual or otherwise and to secure the payment of any money borrowed raised or owing by mortgage, charge or lien upon all or any of the property or assets of company(both present and future).including its uncalled capital and also by a similar mortgage charge or lien to secure and guarantee the performance by the company or any other person or company as the case may be, but not amounting to Banking business as defined under Banking Regulation Act 1949.</i></p>
December 9, 2022	<p><i>Clause III (a) of the MoA was amended to insert the following new point (4) to the main object clause:</i></p> <p><i>4. To render services as brokers, commission agents, importers and exporters, and to act as trustees, executors, administrators, managers, agents or attorney, to carry on the business of retail and institutional distribution of the schemes of the Mutual Funds or any other financial products issued by Banks, Mutual Funds or any financial intermediary, to contract for, and negotiate and Issue and participate in funding any public and private loans and advances, underwriting contracts, mortgages, equity participation, cash credits, overdrafts and other financial facilities if necessary, for such purpose or purpose to appoint and remunerate any offices of the company, other experts or agents.</i></p>
December 12, 2023	<p><i>The name of our Company was changed from 'Tirshil Enterprises Private Limited' to 'Tirshil Algocomm Technologies Private Limited'. Accordingly, Clause I of the MoA was amended to reflect the change of name of our Company.</i></p> <p><i>Clause III (a) of the MoA was amended to insert the following new point (5) to the main object clause:</i></p> <p><i>5. To carry on the business of Software designing, development, customization, implementation, Maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions, and to import, export, sell, purchase, distribute, host (in data centres or over the web) or otherwise deal in own and third Party computer software packages, programs and solutions, and to provide internet / web based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services on-site/offsite or through development centres using owned /hired or third party infrastructure and equipment, providing recruitment and HR related services, providing and taking personnel / consultants/ human resources to /from other organizations, providing solutions/ Packages/ services through applications services provider mode via internet or otherwise, to undertake IT enabled services like call Centre Management, Medical</i></p>

Date of shareholder's resolution	Nature of amendments
	<i>and legal transcription, data processing, Back office processing, Accounting, HR and payroll processing, Insurance claims processing, credit card processing, loans and letters of credit processing, cheque processing, data warehousing and database management, to carry on the business of manufacturing, dealing and maintenance of computer hardware, computer systems and assemble data processors, Program designs and to buy, sell or otherwise deal in such hardware and software packages and all types of tabulating machine, accounting machines, calculators, computerized telecommunication systems and network, their components, spare parts, equipment's and devices and to carry on the business of establishing, running and managing institutions, school, and academics for imparting education in computer technology, offering equipment, solutions and services for Networking and network management, data centre management and in providing consultancy services in all above mentioned areas.</i>
	<i>Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from ₹5,00,000 divided into 50,000 Equity Shares of ₹10 each to ₹5,00,00,000 divided into 50,00,000 Equity Shares of ₹10 each.</i>
	<i>Our Company was converted from a private limited company to a public limited company and consequently Clause I of the MoA was changed from 'Tirshil Algocomm Technologies Private Limited' to 'Tirshil Algocomm Technologies Limited'.</i>

### Corporate profile of our Company

For details regarding the description of our Company's activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key services, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 125, 153 and 222 respectively, of this Draft Red Herring Prospectus.

### Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
2019	Our Company launched its website
	Our Company started providing cash and carry services for inshell walnut
	Our Company started providing cash and carry services for Arabic gum
	Our Company started providing cash and carry services for coriander
2020	Our Company started providing cash and carry services for chana
2021	Our Company opened new branch in Uttar Pradesh
	Our Company started providing cash and carry services for turmeric
	Our Company started providing cash and carry services for mentha oil
2022	Our Company opened new branch in Rajasthan
	Our Company started providing cash and carry services for maize
	Our Company exported maize, as part of its import-export financing and cash and carry services
	Our Company started providing cash and carry services for wheat
2023	Our Company imported cashew nuts, as part of its import-export financing and cash and carry services

### Awards and Accreditations

As on date of this Draft Red Herring Prospectus, there are no key awards received by our Company.

### Time and Cost Overrun

Our Company has not experienced any significant time and cost overrun in setting up projects.

### Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

Other than as disclosed below, there have been no defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks in the Company.

Our Company has experienced delays in repayment of loans, details of which have been provided below:

Banks	Details of Loans availed	Financial Year in which delay occurred	Amount of default	Period of default (in days)
			(₹ in lakhs)	
HDFC Bank	Car loan	2023-2024	0.25	1
Clix Capital Service Pvt Ltd	Business Loan	2022-2023	0.74	1
Aditya Birla Finance	Business Loan	2023-2024	0.90	2
HDFC Bank	Car Loan	2020-2021	0.22	1
HDFC Bank	Car Loan	2020-2021	0.22	1
HDFC Bank	Car Loan	2020-2021	0.10	1
HDFC bank	Car Loan	2020-2021	0.10	1

For risks relating to the same, please refer to “*Risk Factors No. 21 - There have been instances of delay in repayment of loans in the past*” on page 36.

#### **Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation**

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years.

#### **Revaluation of assets**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

#### **Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company

#### **Subsidiaries of our Company**

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

#### **Associate or Joint ventures of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

#### **Strategic and Financial Partners**

As on date of this Draft Red Herring Prospectus our Company does not have any strategic and financial partners.

#### **Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

#### **Agreements with key managerial personnel or a Director or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

#### **Guarantees given by Promoters offering its shares in the Offer for Sale**

Except as stated in “*Financial Indebtedness*” on page 219 of this Draft Red Herring Prospectus, our Promoters have not given any guarantees on behalf of our Company.

**Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

We confirm that there are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non disclosure of which may have bearing on the investment decision.

**Others**

As on the date of DRHP, there are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than ones which have already disclosed in DRHP.



## OUR MANAGEMENT

### Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than three (3) and not more than fifteen (15). As on date of this Draft Red Herring Prospectus, we have five (5) Directors on our Board, which includes one (1) Managing Director, one (1) Executive Director, and one (1) Non-Executive Director, who is also the woman director of our Company and two (2) Independent Directors.

Set forth below, are details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<b>Rupesh Pravinchandra Dalal</b>  <b>DIN:</b> 07407787  <b>Date of Birth:</b> March 30, 1973  <b>Designation:</b> Chairman and Managing Director  <b>Address:</b> 702, 703, Shiv Sadan, Gokhale Road, Near Dutt Mandir, Dahanukar Wadi, Kandiwali (West), Mumbai - 400 067, Maharashtra, India.  <b>Occupation:</b> Business  <b>Term:</b> A period of five (5) years with effect from December 12, 2023 to December 11, 2028.  <b>Period of Directorship:</b> Director since incorporation  <b>Nationality:</b> Indian	51	New Edge Commodities Private Limited
<b>Pravinchandra Nagindas Vaidya</b>  <b>DIN:</b> 08014813  <b>Date of Birth:</b> August 8, 1951  <b>Designation:</b> Executive Director  <b>Address:</b> B - 405, Vrindawan Bldg., Umed Ashram Road, Near Borivali Jail, Borivali West, Mumbai - 400 092, Maharashtra, India.  <b>Occupation:</b> Business  <b>Term:</b> A period of five (5) years with effect from December 12, 2023 to December 11, 2028  <b>Period of Directorship:</b> Director since incorporation  <b>Nationality:</b> Indian	72	Nil
<b>Nikita Rupesh Dalal</b>  <b>DIN:</b> 10422338  <b>Date of Birth:</b> May 23, 1978  <b>Designation:</b> Non-Executive Director	45	Nil

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<b>Address:</b> 702, 703, Shiv Sadan, Gokhale Road, Near Dutt Mandir, Dahanukar Wadi, Kandiwali (West), Mumbai - 400 067, Maharashtra, India.  <b>Occupation:</b> Business  <b>Term:</b> Liable to retire by rotation  <b>Period of Directorship:</b> Director since December 12, 2023  <b>Nationality:</b> Indian		
<b>Ashokkumar Sankatha Prasad Shukla</b>  <b>DIN:</b> 07042572  <b>Date of Birth:</b> July 30, 1975  <b>Designation:</b> Independent Director  <b>Address:</b> A Wing Flat No 1005, Amey CHS Ltd, Plot No 24-29, Sector- 4, Near Masala Central, Navi Mumbai, Nerul Node, Thane- 400 706, Maharashtra, India.  <b>Occupation:</b> Business  <b>Term:</b> A period of five (5) years with effect from December 12, 2023 to December 11, 2028  <b>Period of Directorship:</b> Director since December 12, 2023  <b>Nationality:</b> Indian	48	<i>Indian Companies</i>  Mountain Residency Private Limited  <i>LLP</i>  Vistara Learning Solutions LLP
<b>Deepak Kumar Balmiki Prasad Singh</b>  <b>DIN:</b> 09190976  <b>Date of Birth:</b> December 5, 1964  <b>Designation:</b> Independent Director  <b>Address:</b> 501, Sneha Apartment, Ahimsa Marg Off Chincholi Bunder Road, Malad (West), Mumbai – 400 064, Maharashtra, India.  <b>Occupation:</b> Business  <b>Term:</b> A period of five (5) years with effect from December 12, 2023 to December 11, 2028  <b>Period of Directorship:</b> Director since December 12, 2023  <b>Nationality:</b> Indian	59	<i>Indian Companies</i>  Nil  <i>LLP</i>  Agrivault Fintech LLP

#### Brief Biographies of our Directors

**Rupesh Pravinchandra Dalal**, aged 51 years, is the Promoter, Chairman and Managing Director of our Company. He attended University of Bombay to pursue bachelor's degree in commerce. In the past, he was associated with Multi Commodity Exchange of India Limited, where he had jointed in the capacity of a manager – business development and was promoted to the position of assistant vice president – product knowledge management. He was also associated with reputed newspapers such as, Janbhoomi Group of Newspapers and Dainik Bhaskar. He was also associated with Grovalue Commodity Private Limited in the capacity of director. He is also a director on the board of New Edge Commodities Private Limited. He has more than two decades of experience in the commodities market, quality management, futures

contract execution and warehouse management. Presently, he heads the contract execution, quality management and financing divisions of our Company. He been associated with our Company since incorporation.

**Pravinchandra Nagindas Vaidya**, aged 72 years, is the Promoter and Executive Director of our Company. He holds a bachelor's degree in science with honours from University of Bombay. In the past, he was associated with Filmlab (India) Private Limited in the capacity of laboratory in charge and timer; with Adlabs Films Limited in the capacity of senior colour grader; with Reliance MediaWorks Limited in the capacity of a senior colour grader and with Prasad Corporation Limited in the capacity of technical manager – lab operations. He has experience of more than a decade in administration and warehousing operations. Presently, he is responsible for warehouse management and website development of our Company. He been associated with our Company since incorporation.

**Nikita Rupesh Dalal**, aged 45 years, is a Non- Executive Director of our Company. She holds a bachelor's degree in home science from S.M. Lal Institute, Mumbai. She has been associated with our Company since February 1, 2018 in the capacity of a human resource management consultant and was later appointed as a Non-Executive Director of our Company with effect from December 12, 2023. She holds experience in managing and motivating human resources and human resource management.

**Ashokkumar Sankatha Prasad Shukla**, aged 48 years, is an Independent Director of our Company. He holds a bachelor's degree in commerce (financial accounting and auditing (special)) from University of Bombay. He has also completed a diploma in business administration with specialisation in financial management from Symbiosis Institute of Management Studies. In the past he was associate with Life Insurance Corporation of India; Shree Mateshwari Transport Private Limited in the capacity of head of logistics and finance and has an experience of more than a decade in offering logistical and financing solutions. He has been associated with Mountain Residency Private Limited in the capacity of a director with effect from July 1, 2022. He has been associated with our Company since December 12, 2023.

**Deepak Kumar Balmiki Prasad Singh**, aged 59 years, is an Independent Director of our Company. He attended Bhagalpur University to pursue bachelor's degree in arts and master's degree in arts. He also attended L. N. Mishra College of Business Management, Muzaffarpur to pursue master's degree in business administration. In the past, he was associated with NBHC Convergence Technologies Private Limited in the capacity of a director; with Ashley Transport Services Limited in the capacity of regional head- business and operations transport exchange; with Road Transport Corporation in the capacity of zonal officer; with National Bulk Handling Corporation Limited in the capacity of senior vice president, collateral management; with Patel Roadways Limited in the capacity of regional manager; and with Vijay Transport Co. Limited in the capacity of regional manager (development). He has experience of more than a decade in transportation and logistical operations. He has been associated with our Company since December 12, 2023.

#### **As on the date of the Draft Red Herring Prospectus**

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoters, 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.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) during his/her tenure.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### **Relationship between our Directors**

Except for Nikita Rupesh Dalal, who is the spouse of Rupesh Pravinchandra Dalal and daughter of Pravinchandra Nagindas Vaidya, none of our Directors are related to each other.

### Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Company, Key Managerial Personnel and Directors.

### Payment or Benefit to officers of our Company

Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

### Service Contracts

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

### Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an -special resolution passed at the Extra Ordinary General Meeting held on December 12, 2023, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow any sum or sums of money from time to time at its discretion, for the purpose of the business of our Company, from its Members, Directors or relative of Directors, any one or more Banks, Financial Institutions and other Persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's Bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital of our Company and its free reserves (that is to say reserves not set apart for any specific purpose), subject to such aggregate borrowings not exceeding the amount which is ₹ 10,000.00 lakhs over and above the aggregate of the paid-up share capital of our Company and its free reserves (that is to say reserves not set apart for any specific purpose).

### Terms of appointment and remuneration of our Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on November 21, 2023 and approved by the Shareholders of our Company at the EGM held on December 12, 2023, Rupesh Pravinchandra Dalal was designated as the Managing Director of our Company for a period of five (5) years with effect from December 12, 2023 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	₹ 28.80 lakhs per annum (without perquisites)		
<b>Perquisites</b>	<b>S. No.</b>	<b>Particulars</b>	<b>Amount per Annum</b>
	1	Dearness Allowance	₹ 8.40
	2	HRA	₹ 5.76
	3	Conveyance	₹ 2.88
	4	Medical	₹ 2.16
	Leave travel allowance/ perquisites as per the Income Tax Act, 1961, or any rules there under.		
<b>Minimum Remuneration</b>	In case in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or the profits are inadequate, the Company shall, subject to the approval of the Central Government, wherever required, if any, and the provisions of Sections 197, 198 and 203 read with and subject to the conditions and limits specified in the Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) pay to the Managing Director basic salary, perquisites, and allowances as specified above.		

### Terms of appointment and remuneration of our Executive Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on November 21, 2023 and approved by the Shareholders of our Company at the EGM held on December 12, 2023, the designation of Pravinchandra Nagindas Vaidya

was changed to Executive Director of our Company for a period of five (5) years with effect from December 12, 2023 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	₹ 30 lakhs per annum
<b>Perquisites</b>	<ol style="list-style-type: none"> <li>1) The Executive Director shall be entitled to reimbursement of all actual expenses as per the Rules of the Company including entertainment and traveling incurred in the course of the Company's business.</li> <li>2) The Executive Director shall be entitled to avail fully paid leave as per the Rules of the Company as applicable to the senior executives.</li> <li>3) The Executive Director, subject to the applicable provisions of the Companies Act, 2013, shall also be eligible for a housing loan as applicable in accordance with the Rules of the Company.</li> <li>4) The Executive Director shall also be entitled to the benefits under all other schemes, privileges, and amenities as are granted to the senior executives of the Company in accordance with the Company's practice, rules, and regulations in force from time to time.</li> <li>5) The Executive Director shall not be entitled to payment of any sitting fees for attending the meetings of the Board or of a committee thereof.</li> </ol>
<b>Minimum Remuneration</b>	In case in any financial year during the currency of the tenure of the Executive Director, the Company has no profits or the profits are inadequate, the Company shall, subject to the approval of the Central Government, wherever required, if any, and the provisions of Sections 197, 198 and 203 read with and subject to the conditions and limits specified in the Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) pay to the Executive Director basic salary, perquisites, and allowances as specified above.

#### Remuneration details of our Directors

##### (i) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2024 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Rupesh Pravinchandra Dalal	48.00
2.	Pravinchandra Nagindas Vaidya	8.71

Our Executive Directors were not paid sitting fee in Fiscal 2024 for attending meetings of the Board of Directors and its committees.

##### (ii) Sitting fee details of our Independent Directors and Non-Executive Directors

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Nikita Rupesh Dalal	Nil
2.	Ashokkumar Sankatha Prasad Shukla	Nil
3.	Deepak Kumar Balmiki Prasad Singh	Nil

Our Board of Directors in their meeting held on February 27, 2024 have fixed ₹ 10,000/- as sitting fee for Independent Directors and Non-Executive Directors, for attending meetings of the Board of Directors and its committees.

#### Payment or benefit to Directors of our Company

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

#### Remuneration paid to our Directors by our Subsidiary

As on the date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

#### Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Draft Red Herring Prospectus.

#### Shareholding of Directors in our Company

Except as stated below, none of our Directors holds any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares of face value of ₹ 10 each	% of the pre-Issue Equity Share Capital
1)	Rupesh Pravinchandra Dalal	16,59,200	58.12
2)	Pravinchandra Nagindas Vaidya	1,08,800	3.81

*\* Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.*

#### **Interest of our Directors**

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “*Terms of appointment and remuneration of our Executive Directors*” above.

Our Executive Director, Pravinchandra Nagindas Vaidya is interested to the extent of remuneration and reimbursement of expenses paid by our Company to his son, Maulik Vaidya, in the capacity of an employee of our Company. For details, please refer to the chapter titled “*Restated Financial Information –Note 26 – Statement of Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 174 of this Draft Red Herring Prospectus

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “*Financial Information*” and “*Our Promoter and Promoter Group*” beginning on Page Nos. 174 and 167, respectively of this Draft Red Herring Prospectus, our Directors are not interested in any other company, entity or firm.

Except as stated in “*Restated Financial Information –Note 26 – Statement of Related Party Transactions*” on Page No. 174 of this Draft Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

#### **Interest as to property**

Except as mentioned in “*Our Business - Land and Property*” and “*Restated Financial Information –Note 26 – Statement of Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page Nos. 139 and 174 of this Draft Red Herring Prospectus our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

#### **Bonus or Profit Sharing Plan for our Directors**

None of our Directors are a party to any bonus or profit sharing plan.

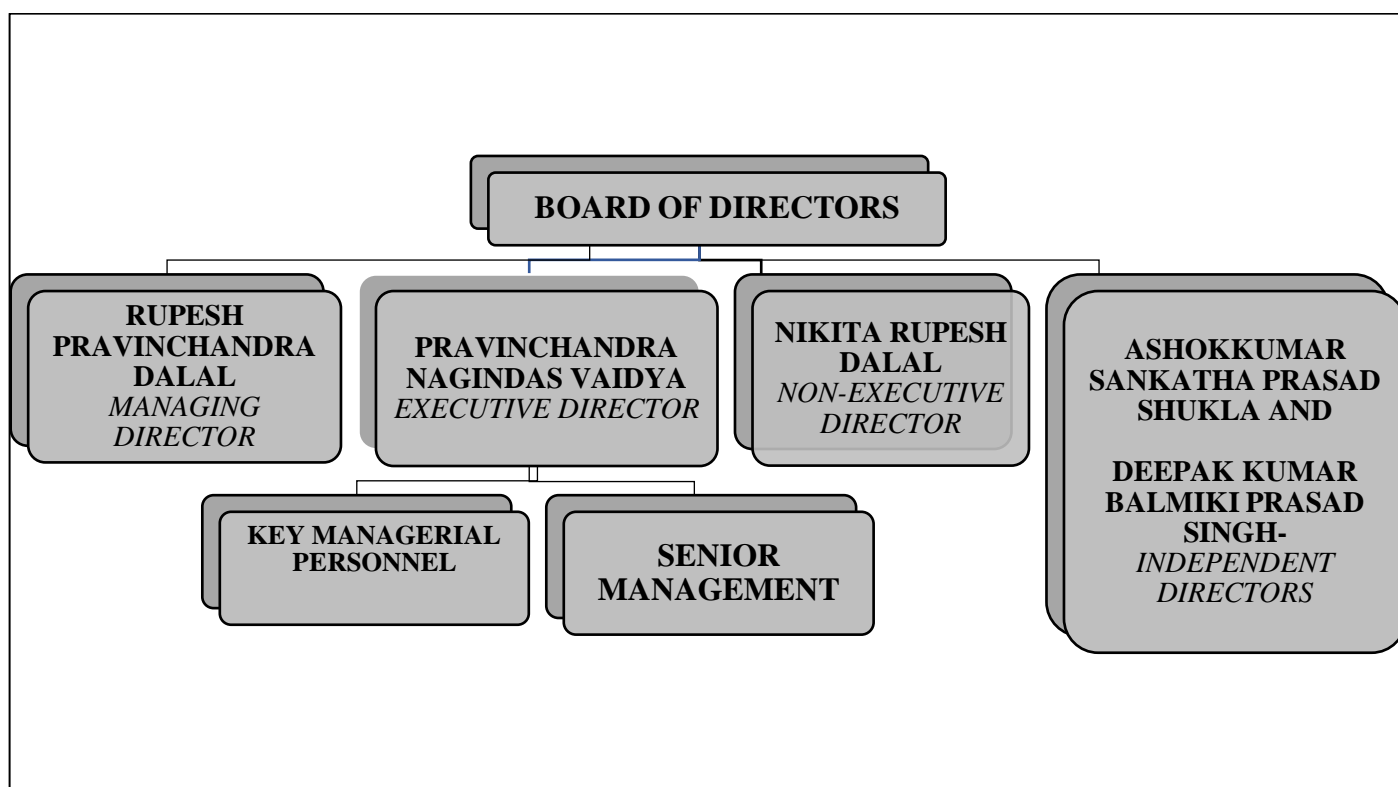
#### **Changes in our Board during the Last Three Years**

Except as disclosed below, there have been no changes in our Board during the last three years.

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Rupesh Pravinchandra Dalal	December 12, 2023	-	Change in designation to Managing Director
Pravinchandra Nagindas Vaidya	December 12, 2023	-	Change in designation to Executive Director
Nikita Rupesh Dalal	December 12, 2023	-	Appointed as Non- Executive Director
Ashokkumar Sankatha Prasad Shukla	December 12, 2023	-	Appointed as Independent Director
Deepak Kumar Balmiki Prasad Singh	December 12, 2023	-	Appointed as Independent Director

#### **Management Organization Structure**

Set forth is the management organization structure of our Company:



### Corporate Governance

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, as on date of this Draft Red Herring Prospectus, 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 of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, 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 and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Stakeholders' Relationship Committee;
- Nomination and Remuneration Committee; and

Details of each of these committees are as follows:

### AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated February 27, 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
Deepak Kumar Balmiki Prasad Singh	Chairman	Independent Director
Ashokkumar Sankatha Prasad Shukla	Member	Independent Director
Rupesh Pravinchandra Dalal	Member	Chairman and Managing Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The Scope and functions of the Audit Committee will be as follows:

**A. Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;
- (3) to obtain outside legal or other professional advice;
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

**B. Scope and functions of the Committee:** The Scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act 2013 and Regulations 18 (3) of SEBI Listing Regulation and its terms of reference include the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditor of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
5. Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
6. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013, as amended;
  - (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 the management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions; and
  - (g) Qualifications / modified opinion(s) in the draft audit report.
7. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
8. 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;
9. Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;  
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
10. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
11. Scrutinizing of inter-corporate loans and investments;
12. Valuing of undertakings or assets of the Company, wherever it is necessary;
13. Evaluating of internal financial controls and risk management systems;
14. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
15. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
16. 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;
17. Discussing with internal auditors of any significant findings and follow up there on;
18. 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;
19. Discussing 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;
20. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  21. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
  22. Reviewing the functioning of the whistle blower mechanism;
  23. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  24. Reviewing the functioning of the whistle blower mechanism;
  25. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
  26. Monitoring the end use of funds raised through public offers and related matters;
  27. Approving the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;
  28. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,00,00,00,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
  29. To formulate, review and make recommendations to the Board to amend the terms of reference of Audit Committee from time to time;
  30. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
  31. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/ or specified/ provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.”

The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses;
4. the appointment, removal and terms of remuneration of the chief internal auditor;
5. statement of deviations in terms of the SEBI Listing Regulations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
  - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
6. review the financial statements, in particular, the investments made by any unlisted subsidiary;
7. such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on February 27, 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
Deepak Kumar Balmiki Prasad Singh	Chairman	Independent Director
Ashokkumar Sankatha Prasad Shukla	Member	Independent Director
Nikita Rupesh Dalal	Member	Non-Executive Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The Scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act 2013 and Regulations 19 (4) of SEBI Listing Regulation and its terms of reference include 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;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
2. For every appointment of an independent director, evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may: (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates.
  3. Formulating of criteria for evaluation of performance of independent Directors and the Board;
  4. Devising a policy on Board diversity;
  5. Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
  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. Analyzing, monitoring and reviewing various human resource and compensation matters;
  8. Deciding 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;
  9. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
  10. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
  11. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
  12. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), usually consisting of a fixed and variable component;
  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. Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;
    - (a) to administer the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:
      - i. determining the eligibility of employees to participate under the ESOP Scheme;
      - ii. determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
      - iii. date of grant;
      - iv. determining the exercise price of the option under the ESOP Scheme;
      - v. the conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
      - vi. the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
      - vii. the specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
      - viii. the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
      - ix. re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
      - x. the grant, vest and exercise of option in case of employees who are on long leave;
      - xi. allow exercise of unvested options on such terms and conditions as it may deem fit;
      - xii. the procedure for cashless exercise of options;
      - xiii. forfeiture/ cancellation of options granted;
      - xiv. formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
  - for this purpose, follow global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
  - the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
15. Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme.
  16. Framing suitable policies, procedures and systems to ensure that there is no violation, by and employee id any applicable laws in India or Overseas, including:
    - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
    - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.”
  17. Performing such other activities as may be delegated by the Board of Directors and/or specified/ provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.
  18. To consider any other matters as may be requested by the Board; and
  19. To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.
  20. the committee is authorised by the Board to:
    - a) investigate any activity within its terms of reference;
    - b) seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and
    - c) call any director or other employee to be present at a meeting of the Committee as and when required.
  21. If the Committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the Committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorised by the Board.

## STAKEHOLDERS’ RELATIONSHIP COMMITTEE

The Stakeholders’ Relationship Committee has been formed by the Board of Directors, at the meeting held on February 27, 2024. As on the date of this Draft Red Herring Prospectus the Stakeholders’ Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Ashokkumar Sankatha Prasad Shukla	Chairman	Independent Director
Deepak Kumar Balmiki Prasad Singh	Member	Independent Director
Pravinchandra Nagindas Vaidya	Member	Executive Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The Scope and functions of the Stakeholders Relationship Committee are in accordance with Section 178 of the Companies Act 2013 and Regulations 20 (4) of SEBI Listing Regulation and its terms of reference include the following:

- (1) resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- (2) review of measures taken for effective exercise of voting rights by shareholders;
- (3) investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities

- (4) giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time
- (5) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- (6) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- (7) to approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;
- (8) to approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;
- (9) to monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company;
- (10) carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority; and
- (11) such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

### **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.

### **Our Key Managerial Personnel**

In addition to our Managing Director, Chief Executive Officer and, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Red Herring Prospectus:

**Vishal Pravinchandra Dalal**, aged 42 years is the Chief Financial Officer of our Company. He holds bachelor's degree in commerce with specialisation in financial accounting and auditing from University of Mumbai. He has completed a diploma in business management from the ICFAI University and a diploma in financial management from the Welingkar Institute of Management Development & Research. In the past, he was associated with KRchoksey Shares and Securities Private Limited in the capacity of head of product sales and development. He is also associated with Finvent Technologies Private Limited in the capacity of a non-executive director. He is having more than three years of experience in finance, product development and marketing. He has been associated with our Company since December 12, 2023. He has received remuneration of 10.80 lakhs in the Financial Year 2024.

**Sagar Pankaj Shah**, aged 29 years, is the Company Secretary and Compliance Officer of our Company. He is an associate member of the Institute of Company Secretaries of India. He holds bachelor's degree in commerce from University of Mumbai. In the past, he was associated with Quant Money Managers Limited in the capacity of compliance officer; with Sharekhan Limited in the capacity of senior executive secretarial. He is having more than three years of experience in the field of secretarial compliances. He has been associated with our Company since February 2, 2024. He has received remuneration of 0.40 lakhs in the Financial Year 2024.

All our Key Managerial Personnel are permanent employees of our Company.

### **Our Senior Managerial Personnel**

In addition to our Managing Director, Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*' and '*Our Key Managerial Personnel*', set forth below are the details of our Senior Managerial Personnel as on the date of filing of this Draft Red Herring Prospectus:

**Syed Amjad Ali**, aged 47 years, is Vice President- business development of our Company. He holds bachelor's degree in commerce from Osmania University. He also holds provisional master's degree in arts and provisional master's degree in business administration. In the past, he was associated with FarmersForture (India) Private Limited in the capacity of Manager- procurement & accounts department; with G.R. Cables Limited in the capacity of executive- purchase; with Mahindra Logistics Limited in the capacity of deputy manager- operations (SCM); with Ushodaya Enterprises Private Limited in the capacity of manager- purchase; and with District Poverty Initiatives Project (Velugu) Collectorate Campus, Mahabubnagar, Andhra Pradesh in the capacity of livelihood associate- procurement & marketing. He has experience of

more than a decade in purchase and marketing. He has been associated with our Company since July 9, 2018. During Fiscal Year 2024, he has drawn remuneration of ₹ 10.68 lakhs.

**Bhavik Kiritkumar Shah**, aged 50 years, is Chief Operating Officer of our Company. He attended Gujarat University to pursue bachelor's degree in commerce. He has experience of more than six years in operational management. He has been associated with our Company since February 1, 2018. During Fiscal Year 2024, he has drawn remuneration of ₹ 25.20 lakhs.

**Dilip Agrawal**, aged 60 years, is Senior Vice President- business development of our Company. He holds bachelor's degree in commerce from Vikram Vishwavidyalaya. He also attended Vikram University, Ujjain to pursue master's degree in commerce. In the past, he was associated with Advantage Oils Private Limited in the capacity of Vice president-agri division. He has experience of more than a decade in managing agri-commodity operations and business development. He has been associated with our Company since January 18, 2021. During Fiscal Year 2024, he has drawn remuneration of ₹ 21.60 lakhs.

#### **Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management**

In addition to the disclosure made under the heading "*Relationship between our Directors*" and except as disclosed below, none of our Key Managerial Personnel and Senior Management are related to each other or to any of our Directors:

Name of SMP	Designation	Relation
Vishal Pravinchandra Dalal	Chief Financial Officer	Brother of Rupesh Pravinchandra Dalal, the Managing Director of our Company and brother-in law of Nikita Rupesh Dalal, the No-Executive Director of our Company

#### **Shareholding of the Key Managerial Personnel and Senior Management**

None of the Key Management Personnel and Senior Management hold shareholding in our Company. Except:

Sr. No.	Name of SMP	Number of Equity Shares of face value of ₹ 10 each	% of Equity Share Capital
1)	Vishal Pravinchandra Dalal	40,800	1.43
2)	Rupesh Pravinchandra Dalal	16,59,200	58.12

#### **Bonus or Profit Sharing Plan for our Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit sharing plan.

#### **Payment or benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

#### **Interest of Key Managerial Personnel and Senior Management**

Except as disclosed in this Draft Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

#### **Changes in Key Managerial Personnel and Senior Management in the Last Three Years**

In addition to the changes specified under "*Changes in our Board during the Last Three Years*", set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus:

Name	Designation	Date of change	Reason
Vishal Pravinchandra Dalal	Chief Financial Officer	December 12, 2023	Appointment
Sagar Pankaj Shah	Company Secretary and Compliance Officer	February 2, 2024	Appointment

The attrition of the Key Management Personnel and Senior Management is as per the industry standards.

**Employees' Stock Option Plan**

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

**Loans taken by Directors / Key Management Personnel and Senior Management**

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Draft Red Herring Prospectus.

## **OUR PROMOTER AND PROMOTER GROUP**

### **Our Promoters**

The Promoters of our Company are Rupesh Pravinchandra Dalal and Pravinchandra Nagindas Vaidya.

The details of the shareholding of our Promoters, as on date of this Draft Red Herring Prospectus has been provided below:

<b>Sr. No.</b>	<b>Particulars</b>	<b>No. of Equity Shares of face value of ₹ 10 each</b>	<b>% of Shares to Pre – Issue Equity Share Capital</b>
1.	Rupesh Pravinchandra Dalal	16,59,200	58.12
2.	Pravinchandra Nagindas Vaidya	1,08,800	3.81
<b>Total</b>		<b>17,68,000</b>	<b>61.93</b>

For details, please see “*Capital Structure – Shareholding of our Promoter*” on page 76.

### **Details of our Promoters are as follows:**

#### **1. Rupesh Pravinchandra Dalal**



Rupesh Pravinchandra Dalal, aged 51 years, is the Managing Director of our Company. He resides at 702, 703, Shiv Sadan, Gokhale Road, Near Dutt Mandir, Dahanukar Wadi, Kandiwali (West), Mumbai - 400 067, Maharashtra, India.

The Permanent Account Number of Rupesh Pravinchandra Dalal is ABSPD0854A.

For complete profile of Rupesh Pravinchandra Dalal, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 153.

#### **2. Pravinchandra Nagindas Vaidya**



Pravinchandra Nagindas Vaidya, aged 72 years, is the Executive Director of our Company. He resides at B - 405, Vrindawan Bldg., Umed Ashram Road, Near Borivali Jail, Borivali West, Mumbai - 400 092, Maharashtra, India.

The Permanent Account Number of Pravinchandra Nagindas Vaidya is AAAPV3426H.

For complete profile of Pravinchandra Nagindas Vaidya, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 153.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhaar card numbers and driving license numbers of our Promoters, shall be submitted to the Stock Exchange at the time of filing this Draft Red Herring Prospectus.

### **Change in control of our Company**

There has been no change in the management or control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus.

## Other ventures of our Promoters

Our Promoters are involved in other ventures and business activities in different capacities as listed below:

### *Rupesh Pravinchandra Dalal*

S. No.	Name of the entity	Nature of interest / position
1.	New Edge Commodities Private Limited	Director

### *Pravinchandra Nagindas Vaidya*

S. No.	Name of the entity	Nature of interest / position
1.	Nil	Nil

Except as stated above and except as disclosed in “– Promoter Group” below and in “Our Management” on pages 169 and 153, our Promoters are not involved in any other ventures.

## Interests of Promoters

- (a) Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) their shareholding in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) in which our Promoters are partners or directors; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see “Financial Statements- Restated Financial Statements –Note 26 – Statement of Related Party Transactions” on page 174.

- (b) Further, Rupesh Pravinchandra Dalal and Pravinchandra Nagindas Vaidya are also interested in our Company in the capacity of our Managing Director and Executive Director respectively, and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see “Our Management” on page 153. For further details of interest of our Promoters in our Company, see “Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements –Note 26 – Statement of Related Party Transactions” on page 174.
- (c) Except as disclosed in “Financial Statements” and “Financial Indebtedness” on page 174 and 219, respectively in this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company.
- (d) Except for the interest held by our Promoters in the entities disclosed under “- Other ventures of our Promoter”, our Promoters do not have any interest in any venture that is involved in activities similar to those conducted by our Company.
- (e) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoters or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.
- (f) We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Promoters and Promoter Group.

## Interest in property, land, construction of building and supply of machinery

Our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

## Payment or benefits to Promoters or Promoter Group



Pravinchandra Nagindas Vaidya and Nikita Rupesh Dalal are associated with our Company in the capacity of Executive Director and Non-Executive Director and may be deemed to be interested to the extent of remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity.

Except as disclosed above and as stated in “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements –Note 26 – Statement of Related Party Transactions*” on page 174, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

#### **Companies or firms with which our Promoters have disassociated in the last three years**

Our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus.

#### **Material guarantees**

Except as disclosed in the chapter titled “*Financial Indebtedness*” on page 219, as on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

#### **Other confirmations**

Our Promoters are not Wilful Defaulters or a Fraudulent Borrowers.

Our Promoters are not Fugitive Economic Offenders.

Our Promoters and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Our Promoters are not, and have not been in the past, promoters or directors of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

#### **PROMOTER GROUP**

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

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:

##### *Natural persons who are part of the Promoter Group*

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<b><i>Rupesh Pravinchandra Dalal</i></b>		
1.	Late Pravinchandra Jamnadas Dalal	Father
2.	Geetaben P Dalal	Mother
3.	Nikita Rupesh Dalal	Spouse
4.	Tejas Pravinchandra Dalal	Brother
5.	Vishal P. Dalal	Brother
6.	-	Sister
7.	Harshil Rupesh Dalal	Son
8.	Tirth Rupesh Dalal	Son
9.	-	Daughter
10.	Pravinchandra Nagindas Vaidya	Spouse's Father
11.	Vaidya Harsha Pravin	Spouse's Mother
12.	Maulik Pravinchandra Vaidya	Spouse's Brother
13.	Hitisha A Shah	Spouse's Sister
<b><i>Pravinchandra Nagindas Vaidya</i></b>		
1.	Late Nagindas Mohanlal Vaidya	Father
2.	Late Sumitraben Nagindas Vaidya	Mother
3.	Vaidya Harsha Pravin	Spouse

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
4.	Bharat Nagindas Vaidya	Brother
5.	Hansa Nagindas Vaidya	Sister
6.	Dholakia Minaben Ashokbha	Sister
7.	Mita Jay Shah	Sister
8.	Maulik Pravinchandra Vaidya	Son
9.	Nikita Rupesh Dalal	Daughter
10.	Hitisha A Shah	Daughter
11.	Late Mahendra Kamdar	Spouse's Father
12.	Kalavatiben Kamdar	Spouse's Mother
13.	Kaushik Mahendra Kamdar	Spouse's Brother
14.	Ila Tushar Vaidya	Spouse's Sister
15.	Jayshree Atul Sangani	Spouse's Sister

***Bodies corporates, partnership firms forming part of the Promoter Group***

S. No.	Name of entities
1.	New Edge Commodities Private Limited
2.	Finvent Technologies Private Limited
3.	Marks Adds
4.	Maurya Enterprise
5.	Bharat Vaidya
6.	Kamdar Pumps Private Limited
7.	Tejas Pravinchandra Dalal (HUF)
8.	Dalal Rupesh Pravinchandra (HUF)

Particulars	Entity
Anybody 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.	Irecord Infotech Solutions Private Limited New Edge Commodities Solutions Private Limited Finvent Technologies Private Limited Marks Adds Maurya Enterprise Bharat Vaidya- Proprietorship Kamdar Pumps Private Limited Tejas Pravinchandra Dalal (HUF) Dalal Rupesh Pravinchandra (HUF)
Any company in which a company (mentioned above) holds 20% of the total holding	NOT APPLICABLE
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	NOT APPLICABLE

***Common Pursuits of our Promoters***

New Edge Commodities Solutions Private Limited is authorised to engage in the same line of business as that of our Company. Further, currently we do not have any non-compete agreement/arrangement with New Edge Commodities Solutions Private Limited. Such a conflict of interest may have 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.

## **OUR GROUP COMPANIES**

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of ‘group companies’, our Company has considered such companies (other than a subsidiary) with which there were related party transactions during the period for which Restated Financial Statements has been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards.

Accordingly, all such companies (other than a subsidiary) with which there were related party transactions during the periods covered in the Restated Financial Statements, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

### **A. Details of our Group Company**

#### **Irecord Infotech Solution Private Limited**

##### *Registered Office address*

The registered office of Irecord Infotech Solution Private Limited is situated at A-17, Smitanjali CHS Ltd, Kasamgo Nagar, Opp. Kora kendra, S. V. Road, Borivali(w), Mumbai City, Mumbai- 400 092, Maharashtra, India.

##### *Financial Performance*

The Financial Performance of I Record Infotech Solution Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

<i>(₹ in Lakhs)</i>			
<b>Particulars</b>	<b>March 31, 2023*</b>	<b>March 31, 2022*</b>	<b>March 31, 2021</b>
Equity capital	-	-	1.00
Reserves and surplus (excluding revaluation)	-	-	5.18
Sales/ Revenue from Operations	-	-	72.90
Profit/(Loss) after tax	-	-	4.08
Earnings per share (₹) (Basic)	-	-	40.77
Earnings per share (₹) (Diluted)	-	-	40.77
Net Worth available to equity shareholders	-	-	6.18
Net asset value per share (₹)	-	-	61.76

*\*I Record Infotech Solution Private Limited has not filed annual filings for the Financial Years ended March 31, 2023 and March 31, 2022.*

### **B. Litigation**

Our Group Companies are not party to any litigation which may have material impact on our Company.

### **C. Common pursuits**

There are no common pursuits between our Group Company and our Company.

### **D. Related business transactions within our Group Company and significance on the financial performance of our Company**

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on Page No. 174 of this Draft Red Herring Prospectus, there are no other related business transactions between our Group Company and our Company.

### **E. Business Interest**

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on Page No. 174, our Group Company have no business interests in our Company.

### **F. Nature and extent of interest of our Group Company**

a) *In the promotion of our Company*

Our Group Company does not have any interest in the promotion of our Company.

- b) *In the properties acquired by us in the preceding three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Company is not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

- c) *In transactions for acquisition of land, construction of building and supply of machinery*

Our Group Company is not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

- d) We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Group Company and its directors.

## **DIVIDEND POLICY**

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of, or may enter into, to finance our fund requirements for our business activities. As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy.

Upon listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the period ended January 31, 2024 and the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please refer section titled “*Risk Factors*” on Page No. 25 of this Draft Red Herring Prospectus.

*(The remainder of this page is intentionally left blank)*

**SECTION VI – FINANCIAL INFORMATION**

**RESTATED FINANCIAL INFORMATION**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Examination Report on Restated Financial Statements for the period ended January 31, 2024 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021	175
2.	Restated Financial Statements for the period ended January 31, 2024 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021	178

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**Examination report of Independent Auditor on the Restated Financial Statements of  
TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED  
(Formerly known as TIRSHIL ENTERPRISES PRIVATE LIMITED)**

**To,**  
**The Board of Directors**  
**Tirshil Algocomm Technologies Limited**  
**(Formerly known as TIRSHIL ENTERPRISES PRIVATE LIMITED)**  
F-69, 10<sup>th</sup> Shopping centre,  
Mahavir Nagar,  
Kandivali (west),  
Mumbai-400067  
Maharashtra, India

Dear Sir,

1. We have examined the attached Restated Financial Statements of TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED (Formerly known as TIRSHIL ENTERPRISES PRIVATE LIMITED), ("Company" ) comprising the Restated Standalone Financial Statements of the Company constituting Restated Statement of Assets and Liabilities as at 31<sup>st</sup> January 2024, 31<sup>st</sup> March 2023, 2022 and 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the period ended 31<sup>st</sup> January 2024 and for the year ended 31<sup>st</sup> March 2023, 2022 and 2021. the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated financial statement"), as approved by the Board of Directors of the Company at their meeting held on 27<sup>th</sup> May, 2024 for the purpose of inclusion in the Draft offer document/ offer document ("Draft offer document/ offer document") prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

**Management's Responsibility for the Restated Financial Statements**

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the Draft offer document/ offer document
3. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Financial Statements. The Board of Directors of the Company's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations, and the Guidance Note.

**Auditors' Responsibilities**

4. We have examined such Restated Financial Statements taking into consideration:
  - a. The terms of reference and terms of our engagement agreed with you in accordance with our engagement letter; requesting us to carry out the assignment, in connection with the proposed IPO of equity shares of the Company
  - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

- c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
- d. The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, and the Guidance Note in connection with the proposed initial public offer of its equity shares of the Company.

5. The Restated Financial Statements have been compiled by the management of the Company from:
  - i. Audited standalone Financial Statements of the company as at and for the period ended 31<sup>st</sup> January 2023 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (**“Special Purpose interim audited Financial Statements”**);
  - ii. The audited financial statements of the Company as at and for the financial year ended March 31, 2023 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (**“Audited Financial Statements 2023”**);
  - iii. The audited financial statements of the Company as at and for the financial year ended March 31, 2022 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (**“Audited Financial Statements 2022”**);
  - iv. The audited financial statements of the Company as at and for the financial year ended March 31, 2021 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (**“Audited Financial Statements 2021”**).

The statutory audits of the for the for financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021 were conducted by the Previous Statutory Auditor I.e. M S Mandlecha & Co, Chartered Accountants (**“Previous Auditor”**). Accordingly, reliance has been placed on the financial information examined by him for the said years. The examination report included for these years is based solely on the report submitted by him and no audit has been carried out by us.

6. For the purpose of our examination, we have relied on:
  - a. the Special Purpose Interim Auditors’ reports issued by us dated February 02, 2024 on Special Purpose Interim Audited Financial Statements as at and for the period ended January 31, 2024 as referred in Paragraph 5 above;
  - b. the Auditors’ reports issued by Previous Auditor dated September 06, 2023 on Audited Financial Statements 2023 as at and for the year ended March 31, 2023 as referred in Paragraph 5 above;
  - c. the Auditors’ reports issued by Previous Auditor dated September 07, 2022 on Audited Financial Statements 2022 as at and for the year ended March 31, 2022 as referred in Paragraph 5 above;
  - d. the Auditors’ reports issued by Previous Auditor dated November 04, 2021 on Audited Financial Statements 2021 as at and for the year ended March 31, 2021 as referred in Paragraph 5 above;
7. Based on our examination and according to the information and explanations given to us, we report that the Restated financial information have been prepared:
  - a) have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the period/financial years ended January 31, 2024,



March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and groupings/classifications as at and for the period ended January 31, 2023;

- b) There are no qualifications in the auditor's reports on the Standalone financial statements of as at and for the period ended January 31, 2024 and standalone financial statements of as at and for the year ended 31st March 2023, 31st March 2022, and 31st March 2021, which require any adjustments to the Restated financial Statements.
  - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- 8. We have been subjected to the peer review process of the ICAI and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.
  - 9. The Restated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on Audited Financial Statements mentioned in paragraph 7 above.
  - 10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or Previous Auditor nor should this report be construed as a new opinion on any of the financial statements referred to therein.
  - 11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  - 12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI, Stock Exchange, and ROC in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For N B T and Co**  
**Chartered Accountants**  
**ICAI FRN.: 140489W**

Sd/-

**Yash Dhamecha**  
**Partner**  
**Membership No.: 626666**  
**Place: Mumbai**  
**Date: 27<sup>th</sup> May 2024**  
**UDIN: 24626666BKLSYT6447**

**TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED**  
**(Formerly known as TIRSHIL ENTERPRISES PRIVATE LIMITED)**

**CIN: U74999MH2017PLC303433**

**Annexure I- Restated Statement of Assets and Liabilities**

(Amount in INR lakhs, unless otherwise stated)

PARTICULARS		Note	As at	As at	As at	As at
		Nos.	31 January 2024	31 March 2023	31 March 2022	31 March 2021
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1.</b>	<b><u>Shareholders' Funds</u></b>					
(a)	Share capital	1	1.00	1.00	1.00	1.00
(b)	Reserves and surplus	2	278.20	95.38	61.51	53.25
	<b>Total (A)</b>		<b>279.20</b>	<b>96.38</b>	<b>62.51</b>	<b>54.25</b>
<b>2.</b>	<b><u>Non Current Liabilities</u></b>					
(a)	Long-term borrowings	3a	115.75	100.01	39.18	3.37
(c)	Long-term provisions	5	15.25	10.21	8.33	5.04
	<b>Total (B)</b>		<b>131.00</b>	<b>110.22</b>	<b>47.51</b>	<b>8.40</b>
<b>3.</b>	<b><u>Current Liabilities</u></b>					
(a)	Short-term borrowings	3b	26.65	278.16	59.33	20.48
(b)	Trade payables	6				
	(i) total outstanding dues of micro enterprises and small enterprises; and		-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		130.40	79.51	355.67	73.67
(c)	Other current liabilities	7	196.40	194.62	71.81	37.57
(d)	Short term provisions	8	24.60	2.99	1.00	0.70
	<b>Total (C)</b>		<b>378.04</b>	<b>555.28</b>	<b>487.80</b>	<b>132.41</b>
	<b>Total Equity and Liabilities (A+B+C)</b>		<b>788.25</b>	<b>761.89</b>	<b>597.82</b>	<b>195.07</b>
<b>B)</b>	<b>ASSETS</b>					
<b>1.</b>	<b><u>Non Current Assets</u></b>					
(a)	Property, plant and equipment and Intangible assets	9				
	(i) Property, plant and equipment		16.96	20.24	14.61	17.29
	(ii) Intangible assets		17.16	0.95	1.54	2.13
			<b>34.12</b>	<b>21.19</b>	<b>16.15</b>	<b>19.42</b>
(b)	Long term Loans & Advances	10	252.71	14.12	1.24	1.34
(c)	Other Non- current Asset	11	2.69	50.89	35.87	41.97
(d)	Deferred tax asset (Net)	4	1.46	0.92	0.81	1.19
	<b>Total (A)</b>		<b>290.98</b>	<b>87.12</b>	<b>54.08</b>	<b>63.92</b>
<b>2.</b>	<b><u>Current Assets</u></b>					
(a)	Inventories	12	20.00	59.51	172.69	-
(b)	Trade receivables	13	294.74	118.84	205.38	26.95
(c)	Cash and bank balances	14	31.51	189.73	51.04	24.74
(e)	Short-term loans and advances	15	149.62	306.26	114.14	79.25
(d)	Other current assets	16	1.39	0.43	0.50	0.21
	<b>Total (B)</b>		<b>497.26</b>	<b>674.77</b>	<b>543.75</b>	<b>131.14</b>
	<b>Total Assets (A+B)</b>		<b>788.25</b>	<b>761.89</b>	<b>597.82</b>	<b>195.07</b>

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information and Adjustments to Audited Financial Statements and Reconciliation of restated Equity/ Networth appearing in Annexure 4

This is the Restated Statement of Assets and Liabilities referred to in our report of even date.

**For N B T and Co**  
**Chartered Accountants**  
**Firm Registration Number: 140489W**

**Yash Dhamecha**  
**Partner**  
**M. No.: 626666**  
**Place: Mumbai**  
**Date: 27th May, 2024**

**For & on Behalf of the Board of**  
**TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED**

**Rupesh Pravinchandra Dalal**  
**Managing Director**  
**(DIN: 07407787)**

**Pravinchandra Nagindas Vaidya**  
**Director**  
**(DIN : 08014813)**

**Sagar Pankaj Shah**  
**Company Secretary**

**Vishal Pravinchandra Dalal**  
**Chief Financial Officer**

**TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED**  
**(Formerly known as TIRSHIL ENTERPRISES PRIVATE LIMITED)**  
**CIN: U74999MH2017PLC303433**

**Annexure II- Restated Statement of Profit and Loss**

(Amount in INR lakhs, unless otherwise stated)

PARTICULARS	Note Nos.	For the period ended 31 January 2024	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>1 Income</b>					
(a) Revenue from operations	17	1,657.99	6,680.41	1,001.27	312.60
(b) Other income	18	63.20	16.58	7.22	0.89
<b>Total income</b>		<b>1,721.20</b>	<b>6,696.99</b>	<b>1,008.49</b>	<b>313.49</b>
<b>2 Expenditure</b>					
(a) Purchases of stock-in-trade	19	1,069.93	6,135.67	910.70	98.84
(b) Changes in inventories of finished goods, and stock-in-trade	20	39.51	113.18	(172.69)	-
(c) Employee benefit expenses	21	188.73	147.46	121.14	103.35
(d) Finance cost	22	30.36	22.11	2.08	0.87
(e) Depreciation & amortization	23	4.30	3.99	3.81	3.25
(f) Other expenses	24	139.88	227.01	130.03	89.08
<b>Total expenditure</b>		<b>1,472.71</b>	<b>6,649.41</b>	<b>995.07</b>	<b>295.40</b>
<b>3 Profit/(Loss) before exceptional and extra ordinary item</b>		<b>248.48</b>	<b>47.58</b>	<b>13.41</b>	<b>18.10</b>
Exceptional items		-	-	-	-
<b>4 Profit/(Loss) before tax (2-4)</b>		<b>248.48</b>	<b>47.58</b>	<b>13.41</b>	<b>18.10</b>
<b>5 Tax expense:</b>					
(a) Tax expense for current year		66.21	13.71	4.78	6.27
(b) Short/(Excess) provision of earlier year		-	0.10	-	16.03
(c) Deferred tax		(0.54)	(0.11)	0.38	(1.19)
<b>Net current tax expenses</b>		<b>65.67</b>	<b>13.70</b>	<b>5.16</b>	<b>21.11</b>
<b>6 Profit/(Loss) for the period from continuing operations (5-6)</b>		<b>182.81</b>	<b>33.88</b>	<b>8.25</b>	<b>(3.01)</b>
<b>Earnings per share</b>					
Basic and Diluted [nominal value of INR Rs. ** per share]		6.72	1.25	0.30	(0.11)

\* The Company has issued 27,10,000 Equity Shares of Rs. 10 each on February 02, 2024, through a bonus share issue in the ration of 271:1 of existintg equity share capital, bonus share issued via general reserve of the Company.

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information and Adjustments to Audited Financial Statements and Reconciliation of restated Equity/ Networth appearing in Annexure 4

This is the Restated Statement of Profit and Loss referred to in our report of even date.

**For N B T and Co**  
**Chartered Accountants**  
**Firm Registration Number: 140489W**

**For & on Behalf of the Board of**  
**TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED**

**Yash Dhamecha**  
**Partner**  
**M. No.: 626666**  
**Place: Mumbai**  
**Date: 27th May, 2024**

**Rupesh Pravinchandra Dalal**  
**Managing Director**  
**(DIN: 07407787)**

**Pravinchandra Nagindas Vaidya**  
**Director**  
**(DIN : 08014813)**

**Sagar Shankaj Shah**  
**Company Secretary**

**Vishal Pravinchandra Dalal**  
**Chief Financial Officer**

**TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED**  
**(Formerly known as TIRSHIL ENTERPRISES PRIVATE LIMITED)**  
**CIN: U74999MH2017PLC303433**

**Annexure III- Restated Statement of Cash Flows**  
*(Amount in INR lakhs, unless otherwise stated)*

<b>PARTICULARS</b>	<b>For the period ended 31 January 2024</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
<b>A) Cash Flow From Operating Activities :</b>				
Net Profit before tax	248.48	47.58	13.41	18.10
Adjustment for :				
Depreciation	4.30	3.99	3.81	3.25
Interest Paid	30.36	22.11	2.08	0.87
Interest Income	(23.46)	(6.18)	(2.93)	(0.69)
Short/(Excess) provision of earlier year	-	(0.10)	-	(16.03)
Profit on Sale of Car	-	(0.88)	-	-
Operating profit before working capital changes	259.68	66.51	16.37	5.50
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Inventories	39.51	113.18	(172.69)	-
(Increase)/Decrease in Trade Receivables	(175.90)	86.54	(178.43)	190.82
(Increase)/Decrease in Short Term Loans & Advances	156.64	(192.12)	(34.89)	(72.18)
(Increase)/Decrease in Other Current Assets	(0.96)	0.07	(0.29)	(0.21)
(Increase)/Decrease in Other Non Current Assets	48.19	(15.01)	6.10	14.58
Increase/(Decrease) in Trade Payables	50.89	(276.15)	282.00	(111.21)
Increase/(Decrease) in Other Current Liabilities	1.78	122.81	34.24	(7.44)
Increase/(Decrease) in Long Term Provisions	5.05	1.88	3.29	5.04
Increase/(Decrease) in Other long-term liabilities	-	-	-	-
Increase/(Decrease) in Short Term Provisions	21.61	1.99	0.30	0.70
Increase/(Decrease) in Short Term Borrowings	(251.52)	218.84	38.85	(3.27)
<b>Cash generated from operations</b>	154.97	128.52	(5.15)	22.33
Direct Tax Paid	(66.21)	(13.71)	(4.78)	(6.27)
<b>Cash Flow Before Extraordinary Item</b>	88.76	114.81	(9.92)	16.05
Extraordinary Items	-	-	-	-
Net cash flow from operating activities	88.76	114.81	(9.92)	16.05
<b>B) Cash Flow From Investing Activities :</b>				
Purchase/Sale of Property, Plant and Equipment	(17.23)	(11.64)	(0.54)	(2.84)
Sale of Property, Plant and Equipment		3.50	-	-
Interest Income	23.46	6.18	2.93	0.69
<b>Net cash flow from investing activities</b>	6.23	(1.96)	2.39	(2.15)
<b>C) Cash Flow From Financing Activities :</b>				
Share application money pending allotment	-			-
(Increase)/Decrease in Long term Loans & Advances	(238.58)	(12.88)	0.10	(1.34)
Increase/(Decrease) in Long Term Borrowings	15.74	60.83	35.82	3.37
Interest Paid	(30.36)	(22.11)	(2.08)	(0.87)
<b>Net cash flow from financing activities</b>	(253.21)	25.84	33.83	1.16
Net Increase/(Decrease) In Cash & Cash Equivalents	(158.22)	138.69	26.30	15.06
Cash equivalents at the beginning of the year	189.73	51.04	24.74	9.68
Cash equivalents at the end of the year	31.51	189.73	51.04	24.74

Notes :-

For the period ended

		31 January 2024	31 March 2023	31 March 2022	31 March 2021
1	Component of Cash and Cash equivalen				
	Cash on hand	0.10	0.01	3.10	0.16
	Balance With banks	15.67	13.22	46.86	23.58
	Fixed Deposit	15.74	176.51	1.08	1.00
		31.51	189.73	51.04	24.74

- 2.1 The Restated Statement of Cash Flows has been prepared under the indirect method as set out in AS 3, Statement of Cash Flows.
- 2.2 The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information and Adjustments to Audited Financial Statements and Reconciliation of restated Equity/ Networth appearing in Annexure 4
- 2.3 This is the Restated Statement of Cash Flows referred to in our report of even date.

**For N B T and Co**  
**Chartered Accountants**  
**Firm Registration Number: 140489W**

**For & on Behalf of the Board of**  
**TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED**

**Yash Dhamecha**  
**Partner**  
**M. No.: 626666**  
**Place: Mumbai**  
**Date: 27th May, 2024**

**Rupesh Pravinchandra Dalal**  
**Managing Director**  
**(DIN: 07407787)**

**Pravinchandra Nagindas Vaidya**  
**Director**  
**(DIN : 08014813)**

**Sagar Pankaj Shah**  
**Company Secretary**

**Vishal Pravinchandra Dalal**  
**Chief Financial Officer**

## **ANNEXURE-4**

### **SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS**

#### **A. BACKGROUND**

Tirshil Algocomm Technologies Limited is a Public Company domiciled in India originally incorporated as Tirshil Enterprises Private Limited on 28th December, 2017. The company got converted to Public Limited Company vide certificate of incorporation dated 10<sup>th</sup> January, 2024 issued by Registrar of Companies, Mumbai, having Corporate Identification Number **U74999MH2017PLC303433**. The Company is engaged in the business of trading in commodity, consultancy service and allied activities.

#### **B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Statement of Assets and Liabilities of the Company as on January 31, 2024, as on March 31, 2023, as on March 31, 2022 and as on March 2021 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the period/year ended on January 31, 2024, on March 31, 2023, March 31, 2022 and March 31, 2021 and the annexure thereto (collectively, the “Restated Financial Statements” or “Restated Summary Statements”) have been extracted by the management from the Audited Financial Statements of the Company for the period/year ended on January 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2014 as per section 133 of the Companies Act, 2013.

All amount disclosed in Financials Statement and notes have been rounded off to the nearest lakhs (except earnings per share) as per the requirement of Schedule III, unless otherwise stated.

The financial statement of the company has been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 the Companies Act, 2013, read with Rule 7 of the Companies Accounting Rules, 2014 and the relevant provisions of the Companies Act ("the 2013Act"), 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### **2. USE OF ESTIMATES**

The preparation of financial statement in conformity with the GAAP requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statement are based upon management's evaluation of the relevant facts and circumstances as on the date of financial statements. Actual results may differ from the estimates used in preparing the accompanying financial statements. Difference between the actual result and estimates are recognized in the year in which the results are known or materialized.

##### **3. PROPERTY, PLANT & EQUIPMENT**

Property, plant and equipment (PPE) are stated at their cost of acquisition or construction less accumulated depreciation. The Company capitalizes all costs relating to the acquisition and installation of Fixed Assets.

Subsequent expenditure is capitalized only if it is probable that future economic benefits associated with the expenditure will flow to the company.

#### **4. DEPRECIATION**

The Company computes depreciation for all tangible fixed assets using the straight-line method based on estimated useful lives after retaining a residual value of 5% for all the assets. Depreciation is charged on a pro-rata basis from the date of installation till the date the assets are sold or disposed. In view of management, the useful life of the tangible fixed assets is as per the life specified in Schedule II of the Companies Act, 2013.

#### **5. BORROWING COSTS**

Borrowing cost includes interest, amortization of ancillary cost incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **6. INVENTORIES**

Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location.

Cost comprises of cost of Purchase & other costs incurred in bringing them to their respective present location and condition and is determined on First-in-First-Out (FIFO) basis.

#### **7. CASH & CASH EQUIVALENTS**

Cash and Cash Equivalents in the balance sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risks of changes in value.

#### **8. CURRENT/NON CURRENT CLASSIFICATIONS**

The Schedule III to the Act requires assets and liabilities to be classified as either Current or Non-current. An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the balance sheet date; or
- d) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in, the entity's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the balance sheet date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

## **OPERATING CYCLE**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

## **9. REVENUE RECOGNITION**

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.

### **Sale of Goods**

Revenue from, sale of goods is recognized in the statement of profit and loss account when the significant risk and reward of ownership have been transferred to the buyer. The Company collects GTS on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

### **Income from Services**

Income from Consultancy Service is recognized in the statement of profit and loss account as and when the work is completed. The Company collects GST on service provided on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

### **Other Income**

Other income if any is recognized on accrual basis.

## **10. EMPLOYEE BENEFITS**

### **Short Term Employee Benefits**

The short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

### **Post-Employment Benefits**

#### **Defined Contribution Plans**

The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is made.

Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.

#### **Defined Benefits Plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity payable to the employees as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services



## 11. TAXATION

Tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

### *Current tax*

Provision for income tax is recognized based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.

### *Deferred taxation*

The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of the assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

### Minimum Alternative Tax (MAT) credit

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realized.

## 12. PROVISIONS AND CONTINGENCIES

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a 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 in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognized in the period in which the change occurs.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

## 13. SEGMENT REPORTING

### **(i) Business Segment**

The accounting policies adopted for segment reporting are in line with the accounting policies of their Company. Revenues, expenses, assets and liabilities have been identified into segments on the basis of their relationship to operating activities of segments (taking into account the nature of products and services and the risk and rewards associated with them) and internal management information systems and the same is reviewed from time to time to realign the same to conform to the business units of the Company. Revenues, expenses, assets, and liabilities, which are common to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been treated as "Common Revenues/Expenses/Assets/Liabilities", as the case may be.

## **(ii) Geographical Segment**

The Company activities / operations are major to in India and export as such, there is only two geographical segment.

## **14. INVESTMENTS**

Investments which are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees & duties.

Long term investments prescribed in the consolidated financial statements are carried at cost and current investment at lower of cost and fair value.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

On disposal of an investment, the difference between carrying amount and net disposal proceeds is charged/credited to the consolidated statement of profit & loss.

## **15. CASH FLOW STATEMENTS**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

## **16. COVID-19 IMPACT ASSESSMENT**

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID-19 is significantly impacting business operation of the companies, by way of various interruption, supply chain disruption, unavailability of personnel. On 24th March 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till 31st May 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

In assessing the recoverability of Company's assets such as Trade receivable, Inventories, Loans, Advances and Other Current Assets the Company has considered internal and external information upto the date of approval of these financial results. The company has performed sensitivity analysis, on the assumptions used basis, the internal and external information / indicators of future economic conditions and expects to recover the carrying amount of the assets.

## **C. NOTES TO ACCOUNTS**

### **1. NON-ADJUSTMENT ITEMS**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

### **2. MATERIAL REGROUPING**

Appropriate regrouping has been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee in lakhs. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

### **3. PAYABLE TO MICRO, SMALL AND MEDIUM ENTERPRISES**

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The company has not received the required information from any of the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid/payable as required under the Act have not been made.

### **4. MATERIAL ADJUSTMENTS IN RESTATED PROFIT & LOSS ACCOUNT**

Particulars	(Amount in lakhs, unless otherwise stated)			
	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Net profit before tax as per audited financial statements	253.66	49.75	16.67	23.49
<b>Restatement adjustments:</b>				
Gratuity Expenses	-	(3.86)	(3.60)	(5.73)
Excess Depreciation		1.70	0.34	0.34
<b>Total adjustments</b>	-	<b>(2.17)</b>	<b>(3.26)</b>	<b>(5.39)</b>
<b>Restated net profit before tax</b>	<b>253.66</b>	<b>47.58</b>	<b>13.41</b>	<b>18.10</b>

### **5 MATERIAL ADJUSTMENTS IN RESTATED TOTAL EQUITY**

Particulars	(Amount in lakhs, unless otherwise stated)			
	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
<b>Equity/ Networth as per audited financials</b>	<b>283.57</b>	<b>106.29</b>	<b>70.35</b>	<b>58.46</b>
<b>Restatement adjustments:</b>				
Provision for Gratuity for Previous Year		(13.19)	(9.33)	(5.73)
Deferred Tax Adjustments		0.92	0.81	1.19
Excess Depreciation		2.37	0.68	0.34
<b>Total adjustments</b>	-	<b>(9.90)</b>	<b>(7.85)</b>	<b>(4.20)</b>
<b>Restated Equity/ Networth</b>	<b>283.57</b>	<b>96.38</b>	<b>62.51</b>	<b>54.25</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**TIRSHIL ALGOCOMM TECHNOLOGIES LIMITED**  
(Formerly known as TIRSHIL ENTERPRISES PRIVATE LIMITED)  
CIN: U74999MH2017PLC303433

**Annexure V- Notes to Restated Financial Information**

(Amount in INR lakhs, except for share data unless otherwise stated)

**Note 1 Share capital**

Particulars	As at 31 January 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Authorised</b>				
Number of shares	5,000,000	50,000	50,000	50,000
Equity shares of Rs.10 each	500.00	5.00	5.00	5.00
<b>Issued</b>				
Number of shares	10,000	10,000	10,000	10,000
Equity shares of Rs.10 each fully paid up	1.00	1.00	1.00	1.00
<b>Subscribed &amp; Paid up</b>				
Number of shares	10,000	10,000	10,000	10,000
Equity shares of Rs.10 each fully paid up	1.00	1.00	1.00	1.00

**a) Authorised Capital**

Company has increased authorised capital by 4,95,00,000 Equity Share of Rs 10 each on 12.12.2023

**b) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remanant assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting period / year:**

Particulars	As at 31 January 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the period / year	10,000	10,000	10,000	10,000
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance at the end of the period / year	10,000	10,000	10,000	10,000

**d) Details of shareholders holding more than 5 percent of equity shares in the Company:**

Name of Shareholder	As at 31 January 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Rupesh Dalal	6,100	9,500	9,500	2,000
% Holding	61.00%	95.00%	95.00%	20.00%
Pravinchandra Vaidya	400	500	500	500
% Holding	4.00%	5.00%	5.00%	5.00%
Crisp Trade LLP	-	-	-	7,500
% Holding	0.00%	0.00%	0.00%	75.00%
Sumesh Sajjankumar Parasrampur	520	-	-	-
% Holding	5.20%	-	-	-
Vivekkumar Mahesh Jalan	520	-	-	-
% Holding	5.20%	-	-	-
Arun Kumar Ganeriwala	520	-	-	-
% Holding	5.20%	-	-	-
Sapna Agarwal	520	-	-	-
% Holding	5.20%	-	-	-
Yagna Agarwal	520	-	-	-
% Holding	5.20%	-	-	-

**e) Shareholding of Promoters**

Shares held by promoters at the end of the period				As at 31 January 2024
Promoter's name	No. of Shares	% of total shares	% change during the period	
Rupesh Dalal	6,100	61.00%	34.00%	
Pravinchandra Vaidya	400	4.00%	1.00%	
Shares held by promoters at the end of the year				As at 31 March 2023
Promoter's name	No. of Shares	% of total shares	% change during the period	
Rupesh Dalal	9,500	95.00%	0.00%	
Pravinchandra Vaidya	500	5.00%	0.00%	
Shares held by promoters at the end of the year				As at 31 March 2022
Promoter's name	No. of Shares	% of total shares	% change during the period	
Rupesh Dalal	9,500	95.00%	75.00%	
Pravinchandra Vaidya	500	5.00%	0.00%	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

<b>Shares held by promoters at the end of the year</b>		<i>As at 31 March 2021</i>	
<b>Promoter's name</b>	<b>No. of Shares</b>	<b>% of total shares</b>	
Rupesh Dalal	2,000	20.00%	
Pravinchandra Vaidya	500	5.00%	

**Note 2 Reserves and surplus**

<b>Particulars</b>	<b>As at 31 January 2024</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>a) Surplus in Profit and Loss Account</b>				
Balance as per the last financial statements	95.38	61.51	53.25	56.26
Add / Less: Profit / (Loss) for the period / year	182.81	33.88	8.25	(3.01)
Balance as per end of the period / year (C)	278.20	95.38	61.51	53.25
<b>Total (A)</b>	<b>278.20</b>	<b>95.38</b>	<b>61.51</b>	<b>53.25</b>

**Note 3 Borrowings** (Refer note \*\* for terms and security details)

**3a Long-term borrowings**

<b>Particulars</b>	<b>As at 31 January 2024</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>Secured Loan</b>				
- From bank	78.80	6.95	0.19	3.37
- From Other parties	36.70	37.78	38.74	-
	<b>115.50</b>	<b>44.73</b>	<b>38.93</b>	<b>3.37</b>
<b>Unsecured Loan</b>				
-From financial institutions	-	55.03	-	-
- From Related Parties	0.25	0.25	0.25	-
	<b>0.25</b>	<b>55.28</b>	<b>0.25</b>	<b>-</b>
<b>Total</b>	<b>115.75</b>	<b>100.01</b>	<b>39.18</b>	<b>3.37</b>

**3b Short-term borrowings**

<b>Particulars</b>	<b>As at 31 January 2024</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>Secured Loan</b>				
- Current maturities of long term borrowings	20.19	9.75	10.54	3.73
- Bank Overdraft	-	167.02	-	-
	<b>20.19</b>	<b>176.77</b>	<b>10.54</b>	<b>3.73</b>
<b>Unsecured Loan</b>				
- From related parties	-	55.39	48.79	1.14
-From financial institutions	6.46	46.00	-	15.61
	6.46	101.39	48.79	16.75
<b>Total</b>	<b>26.65</b>	<b>278.16</b>	<b>59.33</b>	<b>20.48</b>

The above amount includes:

Secured Borrowings	135.69	221.50	49.47	7.09
Unsecured Borrowings	6.71	156.67	49.04	16.75

**Note 4 Deferred tax liabilities (Net)**

<b>Particulars</b>	<b>As at 31 January 2024</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
<b>Tax effect of item constituting deferred tax Liabilities (A)</b>				
- on difference in WDV of property, plant & equipment as per books and income tax	0.22	0.09	0.13	0.30
- others allowable Gratuity expenses under the provisions of income tax act	-	-	-	-
	0.22	0.09	0.13	0.30
<b>Tax Effect of item constituting deferred tax Assets (B)</b>	(1.68)	(1.00)	(0.94)	(1.49)
	(1.68)	(1.00)	(0.94)	(1.49)
<b>Closing Balance of Deferred Tax (Asset)/ Liability (A-B)</b>	<b>(1.46)</b>	<b>(0.92)</b>	<b>(0.81)</b>	<b>(1.19)</b>

STATEMENT OF PRINCIPAL TERMS OF LOANS AND ASSETS CHARGED AS SECURITY						
Amount in Rs. Lakhs						
Name of Lender/Fund	Nature of Facility	Sanctioned Amount	Securities offered	Re-Payment	Rate of Interest	31/01/2024
SECURED LOANS						
<u>Business Term Loan:</u>						
RBL BANK LTD- LAP	Secured Business Loan	84.50	Flat 2703 Lotus Sky garden near shreeji aspire sankar lane janta nagar Malad West Mumbai & Flat no 702 and 703 Shiv Sadan CHSL, Gokhale Road near Hiren Apt Dahanukar	180 Month	9.25%	84.06
HDFC	Car Loan	9.90	Hypothication of car	48 Month	8.90%	8.12
Indostar Capital Finance Limited	LAP	46.00	Flat E-1103, Tower E phase-1, Akanksha, saavy Swaraj, Godrej Garden city road	180 Month	12.50%	43.51
Total						135.69
UNSECURED LOANS						
Bajaj Finserv	Business Loan	15.60	Unsecured Loan	60 Month	17.75%	0.00
Aditya Birla Finance	Unsecured Loan	25.00	Unsecured Loan	36 Month	18.00%	6.46
Pravin Vaidya	Unsecured Loan	No Agreement				0.25
Total						6.71

**Note 5****STATEMENT OF LONG TERM PROVISION****(Amount in Lakhs, Unless Otherwise Stated)**

<b>Particulars</b>	<b>As at</b>			
	<b>31 January 2024</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Provision for Gratuity Payable	15.25	10.21	8.33	5.04
<b>Total</b>	<b>15.25</b>	<b>10.21</b>	<b>8.33</b>	<b>5.04</b>

**Note 6**
**STATEMENT OF TRADE PAYABLES**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
<b>For Goods &amp; Services</b>				
- Micro, small and medium enterprises				
- Others	130.40	79.51	355.67	73.67
	130.40	79.51	355.67	73.67
<b>Further classified to:</b>				
- Related party	-	-	-	-
- Others	130.40	79.51	355.67	73.67
<b>Total</b>	<b>130.40</b>	<b>79.51</b>	<b>355.67</b>	<b>73.67</b>

The trade payables ageing schedule for the period January 31, 2024 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	-	-	-	-	-
Others	-	128.55	1.53	0.32	-	130.40
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

The trade payables ageing schedule for the period March 31, 2023 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	-	-	-	-	-
Others	-	77.16	2.32	0.03	-	79.51
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

The trade payables ageing schedule for the period March 31, 2022 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	-	-	-	-	-
Others	-	354.50	1.14	0.03	-	355.67
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

The trade payables ageing schedule for the period March 31, 2021 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	-	-	-	-	-
Others	-	17.14	0.03	-	-	17.17
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:				
Principal and interest	-	-	-	-
Total	-	-	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-	-	-



**Note 7****STATEMENT OF OTHER CURRENT LIABILITIES**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Expenses Payable	27.84	40.76	27.76	16.13
Advance from customer	146.74	146.94	37.74	11.32
Payable to Auditor	1.80	0.80	0.50	0.50
Payable to Statutory Authorities	20.02	6.12	5.81	9.62
<b>Total</b>	<b>196.40</b>	<b>194.62</b>	<b>71.81</b>	<b>37.57</b>

**Note 8****STATEMENT OF SHORT TERM PROVISIONS**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Provision for Gratuity Payable	4.39	2.99	1.00	0.70
Provision of income tax (Net of TDS/ Advance Tax)	20.21	-	-	-
<b>Total</b>	<b>24.60</b>	<b>2.99</b>	<b>1.00</b>	<b>0.70</b>

**Note 9**

**PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

**A. PROPERTY, PLANT AND EQUIPMENT**

-

<b>PARTICULARS</b>	<b>Air conditioner</b>	<b>Printer</b>	<b>Computer</b>	<b>Camera &amp; Machine</b>	<b>Other Fixed Asset</b>	<b>Furniture &amp; Fixture</b>	<b>Vehicle</b>	<b>Total</b>
<b>Period ended January 31, 2024</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening gross carrying amount	0.52	0.13	1.29	0.90	4.58	2.20	22.35	31.98
Additions	-	0.23	-	-	-	-	-	0.23
Disposals/Adjustment								-
<b>Closing Gross Carrying Amount</b>	<b>0.52</b>	<b>0.36</b>	<b>1.29</b>	<b>0.90</b>	<b>4.58</b>	<b>2.20</b>	<b>22.35</b>	<b>32.21</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening accumulated depreciation	0.44	0.08	0.59	0.52	1.78	0.95	7.38	11.74
Depreciation charged during the year	0.06	0.06	0.34	0.14	0.72	0.17	2.01	3.51
Disposals/Adjustments								-
<b>Closing Accumulated Depreciation</b>	<b>0.50</b>	<b>0.14</b>	<b>0.94</b>	<b>0.66</b>	<b>2.50</b>	<b>1.12</b>	<b>9.39</b>	<b>15.24</b>
<b>Net Carrying Amount</b>	<b>0.03</b>	<b>0.22</b>	<b>0.36</b>	<b>0.24</b>	<b>2.08</b>	<b>1.08</b>	<b>12.96</b>	<b>16.96</b>
<b>PARTICULARS</b>	<b>Air conditioner</b>	<b>Printer</b>	<b>Computer</b>	<b>Camera &amp; Machine</b>	<b>Other Fixed Asset</b>	<b>Furniture &amp; Fixture</b>	<b>Vehicle</b>	<b>Total</b>
<b>Year ended March 31, 2023</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening gross carrying amount	0.52	0.13	0.96	0.90	2.92	2.20	16.20	23.83
Additions	-	-	0.33	-	1.67	-	9.65	11.64
Disposals/Adjustment	-	-	-	-	-	-	(3.50)	(3.50)
<b>Closing Gross Carrying Amount</b>	<b>0.52</b>	<b>0.13</b>	<b>1.29</b>	<b>0.90</b>	<b>4.58</b>	<b>2.20</b>	<b>22.35</b>	<b>31.98</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening accumulated depreciation	0.34	0.06	0.27	0.35	1.07	0.74	6.39	9.22
Depreciation charged during the year	0.10	0.02	0.32	0.17	0.71	0.21	1.87	3.40
Disposals/Adjustments	-	-	-	-	-	-	(0.88)	(0.88)
<b>Closing Accumulated Depreciation</b>	<b>0.44</b>	<b>0.08</b>	<b>0.59</b>	<b>0.52</b>	<b>1.78</b>	<b>0.95</b>	<b>7.38</b>	<b>11.74</b>
<b>Net Carrying Amount</b>	<b>0.09</b>	<b>0.05</b>	<b>0.70</b>	<b>0.38</b>	<b>2.80</b>	<b>1.25</b>	<b>14.97</b>	<b>20.24</b>

PARTICULARS	Air conditioner	Printer	Computer	Camera & Machine	Other Fixed Asset	Furniture & Fixture	Vehicle	Total
<b>Year ended March 31, 2022</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening gross carrying amount	0.52	0.13	0.43	0.90	2.92	2.20	16.20	23.29
Additions	-	-	0.54	-	-	-	-	0.54
Disposals/Adjustment								-
<b>Closing Gross Carrying Amount</b>	0.52	0.13	0.96	0.90	2.92	2.20	16.20	23.83
<b>ACCUMULATED DEPRECIATION</b>								
Opening accumulated depreciation	0.24	0.03	0.03	0.18	0.52	0.53	4.47	6.00
Depreciation charged during the year	0.10	0.02	0.24	0.17	0.55	0.21	1.92	3.22
Disposals/Adjustments	-							-
<b>Closing Accumulated Depreciation</b>	0.34	0.06	0.27	0.35	1.07	0.74	6.39	9.22
<b>Net Carrying Amount</b>	0.18	0.07	0.69	0.55	1.85	1.46	9.81	14.61

PARTICULARS	Air conditioner	Printer	Computer	Camera & Machine	Other Fixed Asset	Furniture & Fixture	Vehicle	Total
<b>Year ended March 31, 2021</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening gross carrying amount	0.52	0.13	-	0.36	1.39	1.86	16.20	20.45
Additions			0.43	0.54	1.53	0.34		2.84
Disposals/Adjustment			-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	0.52	0.13	0.43	0.90	2.92	2.20	16.20	23.29
<b>ACCUMULATED DEPRECIATION</b>								
Opening accumulated depreciation	0.14	0.01	-	0.09	0.20	0.35	2.55	3.34
Depreciation charged during the year	0.10	0.02	0.03	0.09	0.32	0.18	1.92	2.66
Disposals/Adjustments	-		-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	0.24	0.03	0.03	0.18	0.52	0.53	4.47	6.00
<b>Net Carrying Amount</b>	0.28	0.10	0.40	0.72	2.40	1.67	11.73	17.29

**Title Deeds of Immovable Property not held in the Name of Company.**

Particular	Relevant Line Item in Balance Sheet	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date
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There is no immovable property whose title deeds are not held other than in the name of the company therefore not applicable.

**Benami Property**

There is no proceeding initiated or pending against the company for holding any benami property under Benami Transaction (Prohibition) Act 1988.

**B. INTANGIBLE ASSETS**

PARTICULARS	Software - Commodity A/c	Tally	Total
<b>Period ended January 31, 2024</b>			
<b>GROSS CARRYING AMOUNT</b>			
Opening gross carrying amount	3.57	-	0.15
Additions	17.00	-	-
Disposals/Adjustment			
<b>Closing Gross Carrying Amount</b>	20.57	0.15	20.72
<b>ACCUMULATED DEPRECIATION</b>			
Opening accumulated depreciation	2.63	-	0.14
Depreciation charged during the year	0.79	0.00	0.79
Disposals/Adjustments			
<b>Closing Accumulated Depreciation</b>	3.42	0.14	3.56
<b>Net Carrying Amount</b>	17.15	0.01	17.16
<b>Year ended March 31, 2023</b>			
<b>GROSS CARRYING AMOUNT</b>			
Opening gross carrying amount	3.57	0.15	3.72
Additions	-	-	-
Disposals/Adjustment	-	-	-
<b>Closing Gross Carrying Amount</b>	3.57	0.15	3.72
<b>ACCUMULATED DEPRECIATION</b>			
Opening accumulated depreciation	2.06	0.12	2.18
Depreciation charged during the year	0.56	0.02	0.59
Disposals/Adjustments			
<b>Closing Accumulated Depreciation</b>	2.63	0.14	2.77
<b>Net Carrying Amount</b>	0.94	0.01	0.95

PARTICULARS	Software - Commodity A/c	Tally	Total
<b>Year ended March 31, 2022</b>			
<b>GROSS CARRYING AMOUNT</b>			
Opening gross carrying amount	3.57	0.15	3.72
Additions			-
Disposals/Adjustment	-	-	-
<b>Closing Gross Carrying Amount</b>	3.57	0.15	3.72
<b>ACCUMULATED DEPRECIATION</b>			
Opening accumulated depreciation	1.50	0.10	1.59
Depreciation charged during the year	0.56	0.02	0.59
Disposals/Adjustments	-	-	-
<b>Closing Accumulated Depreciation</b>	2.06	0.12	2.18
<b>Net Carrying Amount</b>	1.51	0.03	1.54

PARTICULARS	Software - Commodity A/c	Tally	Total
<b>Year ended March 31, 2021</b>			
<b>GROSS CARRYING AMOUNT</b>			
Opening gross carrying amount	3.57	0.15	3.72
Additions			-
Disposals/Adjustment			-
<b>Closing Gross Carrying Amount</b>	3.57	0.15	3.72
<b>ACCUMULATED DEPRECIATION</b>			
Opening accumulated depreciation	0.93	0.07	1.00
Depreciation charged during the year	0.56	0.02	0.59
Disposals/Adjustments			-
<b>Closing Accumulated Depreciation</b>	1.50	0.10	1.59
<b>Net Carrying Amount</b>	2.07	0.06	2.13

**Note 10****STATEMENT OF LONG TERM LOANS AND ADVANCES**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Loan to Others	252.71	14.12	1.24	1.34
<b>Total</b>	<b>252.71</b>	<b>14.12</b>	<b>1.24</b>	<b>1.34</b>

**Note 11****STATEMENT OF OTHER NON- CURRENT ASSET**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Security deposits	2.69	2.59	2.59	2.85
Advance Tax/TDS (Net of provision of tax)	-	28.26	29.93	39.12
Balance with government authorities	-	20.04	3.35	-
<b>Total</b>	<b>2.69</b>	<b>50.89</b>	<b>35.87</b>	<b>41.97</b>

**Note 12****STATEMENT OF INVENTORIES**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
(As taken, valued and certified by the Management)				
(Valued at Cost or Market value, whichever is lower)				
Stock-in-Trade	20.00	59.51	172.69	-
<b>Total</b>	<b>20.00</b>	<b>59.51</b>	<b>172.69</b>	<b>-</b>

**Note 13**
**STATEMENT OF TRADE RECEIVABLES**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
<b>Unsecured</b>				
-Considered good	294.43	112.35	83.37	26.53
-Considered doubtful	0.31	6.49	122.01	0.42
Less :				
Provision for doubtful debts	-	-	-	-
<b>Total</b>	<b>294.74</b>	<b>118.84</b>	<b>205.38</b>	<b>26.95</b>
<b>Further classified as:</b>				
Receivable from related parties				-
Receivable from others	294.74	118.84	205.38	26.95
<b>Total</b>	<b>294.74</b>	<b>118.84</b>	<b>205.38</b>	<b>26.95</b>

The trade receivables ageing schedule for the period January 31, 2024 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	266.72	0.49	0.96	0.13	26.13	294.43
(ii) Undisputed trade receivables – considered doubtful	-	-	-	0.31	-	0.31
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the period March 31, 2023 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	4.47	60.55	-	47.33	-	112.35
(ii) Undisputed trade receivables – considered doubtful	-	-	2.00	4.49	-	6.49
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the period March 31, 2022 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	25.73	57.64	-	-	-	83.37
(ii) Undisputed trade receivables – considered doubtful	-	117.53	4.49	-	-	122.01
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the period March 31, 2021 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	0.80	25.73	-	-	-	26.53
(ii) Undisputed trade receivables – considered doubtful	-	-	0.42	-	-	0.42
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**Note 14****STATEMENT OF CASH & CASH EQUIVALENTS**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Cash on hand (As Certified by Management)	0.10	0.01	3.10	0.16
Balances with banks				
- In Current Accounts	15.67	13.22	46.86	23.58
- In Deposit Account	15.74	176.51	1.08	1.00
<b>Total</b>	<b>31.51</b>	<b>189.73</b>	<b>51.04</b>	<b>24.74</b>
<b>Details of Fixed deposit</b>				
Fixed deposit less than 3 month	15.74	176.51	1.00	1.00
Fixed deposit more than 3 month but less than 12 month				
Fixed deposit more than 12 month				

**Note 15****STATEMENT OF SHORT- TERM LOANS AND ADVANCES**

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Loans & Advances	10.75	-	-	-
Loan to employees	60.31	7.58	9.27	4.79
Advance for Expenses	-	-	0.63	0.25
Advance to supplier	74.05	298.68	104.05	74.21
TDS and TCS Receivables	4.52	-	0.19	-
<b>Total</b>	<b>149.62</b>	<b>306.26</b>	<b>114.14</b>	<b>79.25</b>

**Note 16****STATEMENT OF OTHER CURRENT ASSETS**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Prepaid Expenses	1.39	0.43	0.50	0.21
<b>Total</b>	<b>1.39</b>	<b>0.43</b>	<b>0.50</b>	<b>0.21</b>



**Note 17****STATEMENT OF REVENUE FROM OPERATIONS**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the Period		For the year ended	
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
<b>Sales of Traded goods</b>				
Domestic	1,042.16	5,620.28	743.63	101.35
Export	118.54	719.79	-	-
<b>Sale of Services</b>	491.78	339.46	257.64	211.26
<b>Other Operating Revenue</b>	5.52	0.87	-	-
<b>Total</b>	<b>1,657.99</b>	<b>6,680.41</b>	<b>1,001.27</b>	<b>312.60</b>

**Note 18****STATEMENT OF OTHER INCOME**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the Period ended		For the year ended	
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Deduction for Moisure	4.90	3.62	0.59	-
Delay Payment Charged	28.00	-	-	-
Interest Income	23.46	6.18	2.93	0.69
Profit on Sale of Car	-	0.88	-	-
Rent Received	0.60	3.60	3.70	0.20
Miscellaneous income	6.24	1.04	-	0.00
Short Term Capital Gain on MF	-	1.25	-	-
<b>Total</b>	<b>63.20</b>	<b>16.58</b>	<b>7.22</b>	<b>0.89</b>

**Note 19****PURCHASES OF STOCK IN TRADE**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the Period ended		For the year ended	
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
<b>Traded Goods</b>				
- Domestic Purchase	944.95	6,135.67	910.70	98.84
-Import	124.98	-	-	-
<b>Total</b>	<b>1,069.93</b>	<b>6,135.67</b>	<b>910.70</b>	<b>98.84</b>

**Note 20****CHANGES IN INVENTORIES OF STOCK-  
IN-TRADE**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the Period ended		For the year ended	
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
<b><u>Inventories at the end of the year</u></b>				
Finished Goods	20.00	59.51	172.69	-
Trading Goods				
<b><u>Inventories at the beginning of the year</u></b>				
Finished Goods	59.51	172.69	-	-
Trading Goods				
<b>Net(Increase)/decrease</b>	<b>39.51</b>	<b>113.18</b>	<b>(172.69)</b>	<b>-</b>

**Note 21****EMPLOYEE BENEFITS EXPENSES**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the Period ended		For the year ended	
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
a) Salaries and bonus				
- To others	130.59	115.40	91.55	92.64
b) Director's Remuneration	47.26	24.12	23.94	-
c) Gratuity Expenses	6.45	3.86	3.60	5.73
d) Other employee benefit expenses	4.43	4.07	2.05	4.97
<b>Total</b>	<b>188.73</b>	<b>147.46</b>	<b>121.14</b>	<b>103.35</b>

**Note 22****FINANCE COST**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the Period ended		For the year ended	
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Interest paid ;				
- To banks	24.75	19.40	2.08	0.87
Other Finance Cost	5.61	2.70	-	-
<b>Total</b>	<b>30.36</b>	<b>22.11</b>	<b>2.08</b>	<b>0.87</b>

**Note 23****DEPRECIATION AND AMORTIZATION**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the Period ended		For the year ended	
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Depreciation and Amortization	4.30	3.99	3.81	3.25
<b>Total</b>	<b>4.30</b>	<b>3.99</b>	<b>3.81</b>	<b>3.25</b>

**Note 24****OTHER EXPENSES**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the Period ended		For the year ended	
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Audit Fees	2.00	0.30	0.30	0.30
Brokrage Paid	5.01	11.02	0.17	15.68
Bank charges	1.45	-	-	-
Consultancy & Professional Fees	70.85	118.37	82.39	54.45
Entertainment Expenses	-	4.03	1.98	-
Export Expenses	6.24	43.50	-	-
Food Expenses	-	2.98	3.42	-
Fuel, Parking & Toll Expenses	0.17	-	-	1.56
Incidental Exp	1.02	-	-	-
Insurance Expenses	2.52	4.05	0.40	0.29
Miscellaneous Expense	12.69	13.42	16.00	6.17
Office Expenses	2.69	2.75	2.75	1.01
Power & Fuel	1.91	2.99	2.86	1.12
Quality Rebate	6.42	-	-	-
Repairs & Maintenance Expenses	1.14	1.48	1.88	0.81
Rent, Rate and taxes	11.14	6.60	5.83	3.95
Travelling & Lodging Expenses- Domestic	14.32	11.66	6.33	3.74
Travelling & Lodging Expenses-International	0.30	3.87	5.72	-
<b>TOTAL</b>	<b>139.88</b>	<b>227.01</b>	<b>130.03</b>	<b>89.08</b>

## Annexure 23.1

## PAYMENT TO AUDITORS AS:

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the Period ended		For the year ended	
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Payment to auditors				
- Audit fees	2.00	0.30	0.30	0.30
<b>Total</b>	<b>2.00</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>

**Note 25**
**STATEMENT OF MANDATORY ACCOUNTING RATIOS**

(Amount in Lakhs Rs., except per share data)

Particulars	As at			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Net Worth (A)	279.20	96.38	62.51	54.25
Earnings Before Interest, Tax, Depreciation and Amortisation and Other income(EBITDA)	219.95	57.09	12.08	21.33
Restated profit after tax (B)	182.81	33.88	8.25	(3.01)
Number of equity share ( Post Bonus ) outstanding as on the end of year/period - <i>Refer Note 1</i>	27,20,000	27,20,000	27,20,000	27,20,000
Weighted average number of equity shares(Post Bonus ) outstanding during the year/period (D) - <i>Refer Note 1</i>	27,20,000	27,20,000	27,20,000	27,20,000
Weighted average number of diluted equity shares (Post Bonus ) outstanding during the year/period (E) - <i>Refer Note 1</i>	27,20,000	27,20,000	27,20,000	27,20,000
Current assets (E)	497.26	674.77	543.75	131.14
Current liabilities (F)	378.04	555.28	487.80	132.41
Basic earning per share (INR) (B/D)	6.72	1.25	0.30	(0.11)
Diluted earning per share (INR) (B/E)	6.72	1.25	0.30	(0.11)
Return on net worth (%) (B/A)	65.48%	35.15%	13.20%	-5.55%
Net asset value per share - (A/C) (Face value of Rs. 10 each)	10.26	3.54	2.30	1.99
Current ratio (E/F)	1.32	1.22	1.11	0.99

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.): Net profit after tax, as restated for calculating basic EPS / Weighted average number of equity shares (Post Bonus) outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.): Net profit after tax, as restated for calculating diluted EPS / Weighted average number of equity shares (Post Bonus ) outstanding at the end of the period or year

(c) Return on net worth (%): Net profit after tax, as restated / Net worth at the end of the period or year

(d) Net assets value per share (Rs.) -: Net Worth at the end of the period or year / Total number of equity shares (post Bonus ) outstanding at the end of the period or year

 (e) Net worth has been calculated as sum of Equity Share Capital and Reserves and surplus (*comprising of Securities Premium, Foreign Currency Translation Reserve and Surplus of Profit and Loss Account*)

**Note 26**

**STATEMENT OF RELATED PARTY TRANSACTION**

**1. Names of the related parties with whom transaction were carried out during the years and description of relationship:**

- |    |   |  |                                      |
|----|---|--|--------------------------------------|
| a) | Name of related parties by whom control is exercised  | Rupesh Dalal<br>Pravinchandra Vaidya<br>Vishal Dalal | Managing Director<br>Director<br>CFO |
| b) | Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise: | Irecord Infotech Solution Pvt Ltd                    |                                      |
| c) | Name of relatives of Directors and related parties:   | Nikita Dalal<br>Maulik Vaidya<br>Trusha Dalal        |                                      |
| d) | Key Management Personnels:  | Rupesh Dalal<br>Pravinchandra Vaidya                 |                                      |

**2. Transaction with Key Management Personnel/Directors**

		(Amount in Lakhs, Unless Otherwise Stated)			
Sr. No.	Nature of Transaction	As at			
		31 January 2024	31 March 2023	31 March 2022	31 March 2021
1	<b>Remuneration</b>				
	Rupesh Dalal	40.00	16.20	16.02	14.40
	Pravinchandra Vaidya	7.26	7.92	7.92	7.20
2	<b>Loans Repaid</b>				
	Rupesh Dalal	102.42	45.00	25.10	
	Irecord Infotech Solution Pvt Ltd	1.07	2.04	46.93	37.64
3	<b>Loans Taken From</b>				
	Rupesh Dalal	47.02	38.40	73.00	
	Irecord Infotech Solution Pvt Ltd	0.53	1.93	17.07	55.21
4	<b>Expense Payable</b>				
	Pravinchandra Vaidya	-	0.66	0.66	0.60
	Maulik Vaidya	-	0.73	0.56	0.52
	Rupesh Dalal	-	1.17	1.19	1.08
	Nikita Dalal	-	0.07	1.48	1.38
5	<b>Salary Paid</b>				
	Maulik Vaidya	7.80	8.47	7.96	6.94
	Vishal Dalal	9.00			
6	<b>Consultancy Fess paid</b>				
	Nikita Dalal	17.20	19.80	18.00	18.00
	Trusha Dalal	6.00			
<b>3. Balances Outstanding at the end of the Year</b>					
		(Amount in Lakhs, Unless Otherwise Stated)			
Sr. No.	Particulars	As at			
		31 January 2024	31 March 2023	31 March 2022	31 March 2021
1	Rupesh Dalal	-	55.39	48.79	
2	Irecord Infotech Solution Pvt Ltd	-14.66	-14.12	-14.24	15.61
3	Pravinchandra Vaidya	0.25	0.25	0.25	0.25

**Note 27**
**STATEMENT OF TAX SHELTER**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars		As at			
		31 January 2024	31 March 2023	31 March 2022	31 March 2021
<b>A</b>	Profit before taxes as restated	<b>248.48</b>	<b>47.58</b>	<b>13.41</b>	<b>18.10</b>
	- Taxable at normal Rate	<b>248.48</b>	<b>47.58</b>	<b>13.41</b>	<b>18.10</b>
	- Taxable at special Rate	-	-	-	-
<b>B</b>	Normal Tax Rate Applicable %	26.00%	26.00%	26.00%	26.00%
	Special Tax Rate Applicable %	-	-	-	-
	MAT Tax Rate %	15.60%	15.60%	15.60%	15.60%
<b>C</b>	Tax Impact (A*B) As per Normal Provision	64.61	12.37	3.49	4.71
	Tax Impact (A*B) As per MAT	38.76	7.42	2.09	2.82
<b>D</b>	<b>Adjustments:</b>				
	Difference in depreciation	(0.27)	1.04	0.67	0.21
	36 disallowance	-	-	0.69	0.09
	37 disallowance	-	0.26	-	-
	Disallowance u/s 43B	6.45	4.35	3.60	5.73
	Incomes considered separately				
	Other deduction				
	<b>Total</b>	<b>6.18</b>	<b>5.65</b>	<b>4.96</b>	<b>6.03</b>
<b>E</b>	<b>Unabsorbed Loss/(Carried Forward Loss Set off)</b>	-	-	-	-
<b>F</b>	<b>Net Adjustment (F) = (D+E)</b>	<b>6.18</b>	<b>5.65</b>	<b>4.96</b>	<b>6.03</b>
<b>G</b>	<b>Tax Expenses/ (Saving) thereon</b>	1.61	1.47	1.29	1.57
<b>I</b>	<b>Deferred Tax (Annexure 34.1)</b>	(0.54)	(0.11)	0.38	(1.19)
<b>J</b>	<b>Total tax expenses (H+I)</b>	<b>65.67</b>	<b>13.73</b>	<b>5.16</b>	<b>5.08</b>
	<b>Tax Payable</b>	<b>Normal Provision</b>	<b>Normal Provision</b>	<b>Normal Provision</b>	<b>Normal Provision</b>
					<b>Annexure 35.1</b>

**STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES AS RESTATED**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars		As at			
		31 January 2024	31 March 2023	31 March 2022	31 March 2021
<b>A</b>	WDV as per Companies Act, 2013	34.12	21.19	16.15	19.42
<b>B</b>	WDV as per Income tax Act, 1961	33.29	20.86	15.66	18.27
	Difference in WDV (A-B)	0.84	0.33	0.49	1.16
<b>C</b>	<b>Deferred Tax (Asset)/ Liability</b>	<b>0.22</b>	<b>0.09</b>	<b>0.13</b>	<b>0.30</b>
	<b>Gratuity Expenses</b>	6.45	3.86	3.60	5.73
<b>D</b>	<b>Total</b>	6.45	3.86	3.60	5.73
<b>E</b>	<b>Deferred Tax (Asset)/ Liability (E)</b>	<b>(1.68)</b>	<b>(1.00)</b>	<b>(0.94)</b>	<b>(1.49)</b>
<b>F</b>	<b>Total Deferred Tax (Asset)/ Liability (C+E)</b>	-1.46	-0.92	-0.81	-1.19
<b>Restated Consolidated Closing Balance of Deferred Tax (Asset)/ Liability</b>		<b>(1.46)</b>	<b>(0.92)</b>	<b>(0.81)</b>	<b>(1.19)</b>
<b>Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year</b>		<b>(0.92)</b>	<b>(0.81)</b>	<b>(1.19)</b>	-
<b>Deferred Tax (Assets)/ Liability should be charged to Profit &amp; Loss</b>		<b>(0.54)</b>	<b>(0.11)</b>	<b>0.38</b>	<b>(1.19)</b>

**Notes:**

1. The aforesaid statement of tax shelters has been prepared as per the restated summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return respective years stated above.

2. The effect of Tax Shelter i.e. short/excess provision for Income Tax has not been given effect in Annexure II - Restated Statement of Profit and Loss account. Provision for Income Tax given in Annexure II is based on the Income Tax Return/Audited Financial Statement only.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**Note 28****STATEMENT OF CAPITALISATION**

(Amount in Lakhs, Unless Otherwise Stated)

<b>Particulars</b>	<b>Pre Issue 31-Jan-24</b>	<b>Post Issue</b>
		[.]
<b>Debt</b>		
Short Term Debt	26.65	
Long Term Debt	115.75	
<b>Total Debt</b>	<b>142.40</b>	
<b>Shareholders' Fund (Equity)</b>		
Share Capital	1.00	
Reserves & Surplus	278.20	
Less: Miscellaneous Expenses not w/off	-	
<b>Total Shareholders' Fund (Equity)</b>	<b>279.20</b>	
<b>Long Term Debt/Equity</b>	<b>0.41</b>	
<b>Total Debt/Equity</b>	<b>0.51</b>	

**Notes:**

1. Short term debts represents the debts which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term debts represent debts other than Short term debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of assets and liabilities of the Company as at 31st, January 2024. Effect of Increase in Capital after 31st January 2024 not taken.

**Note 29****CONTINGENT LIABILITIES & COMMITMENTS**

(Amount in Lakhs, Unless Otherwise Stated)

<b>Particulars</b>	<b>For the year ended</b>			
	<b>31 January 2024</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
TDS Demand	3.32	3.32	1.08	0.46
<b>Total</b>	<b>3.32</b>	<b>3.32</b>	<b>1.08</b>	<b>0.46</b>



**Note 30****STATEMENT OF OTHER FINANCIAL RATIOS**

(Amount in Lakhs Rs., except per share data)

Particulars	As At			
	31 January 2024	31 March 2023	31 March 2022	31 March 2021
Current Ratio (No of Times)	1.32	1.22	1.11	0.99
Debt Equity Ratio (No of Times)	0.51	3.92	1.58	0.44
Debt Service Coverage Ratio (No of Times)	3.81	0.20	0.23	0.05
Return On Equity Ratio (%)	97.35%	42.64%	14.14%	-5.40%
Inventory Turnover Ratio (No Of Times)	41.70	57.54	11.60	NIL
Trade Receivable Turnover Ratio (No Of Times)	8.02	41.21	8.62	2.55
Trade Payable Turnover Ratio (No Of Times)	10.19	28.20	4.24	0.76
Net Capital Turnover Ratio (No Of Times)	13.91	55.91	17.90	(246.72)
Net Profit Ratio (%)	11.03%	0.51%	0.82%	-0.96%
Return On Capital Employed (%)	70.60%	35.48%	15.24%	32.92%
Return On Investment/Total Assets (%)	23.19%	4.45%	1.38%	-1.54%

Details of numerator and denominator for the above ratio are as under

- (1) Current Ratio = Current Assets / Current Liabilities.
- (2) Debt- equity ratio = Total debt / Shareholders' fund.
- (3) Debt service coverage ratio = (Net Profit After Tax+ Depreciation+Interest)/(Principal + Interest).
- (4) Return on equity ratio= Net profit after taxes / Avg Shareholder's Fund.
- (5) Inventory turnover ratio= Revenue from operation /Average inventory.
- (6) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.
- (7) Trade payables turnover ratio=Purchase/Average trade payables.
- (8) Net Capital turnover ratio=Net sales/Net working capital.
- (9) Net profit ratio=Net profit after taxes/ Revenue of Operations.
- (10) Return on capital employed=Earnings before interest and taxes/Capital employed.
- (11) Return on investment/Total Assets=PAT/Total Assets.

**ANNEXURE 30A**  
**RATIO ANALYSIS**

Particulars	Numerator	Denominator	31 January 2024	31-Mar-2023	Variance % (Jan24-Mar-23)	Reason for Major Deviation (Jan 24-Mar23)
Current Ratio (no. of times)	Current Assets	Current Liabilities	1.32	1.22	8.24%	
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	97.35%	42.64%	128.30%	
Debt-Equity Ratio	Total debt (including current maturities of long term borrowings and accrued interest excluding lease liabilities)	Shareholder's Equity	0.51	3.92	-87.00%	
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating	Debt Service	3.81	0.20	1810.11%	
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	8.02	41.21	-80.54%	NA
Trade payables turnover ratio (no. of times)	Net Credit Purchases	Average trade payables	10.19	28.20	-63.85%	
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	41.70	57.54	-27.52%	
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	13.91	55.91	-75.13%	
Net profit ratio (%)	Net Profits after taxes	Net Sales	11.03%	0.51%	2074.35%	
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed	70.60%	35.48%	98.99%	

Particulars	Numerator	Denominator	31-Mar-2023	31-Mar-2022	Variance % (Mar-22-Mar-23)	Reason for Major Deviation (Mar-22-Mar-23)
Current Ratio (no. of times)	Current Assets	Current Liabilities	1.22	1.11	9.01%	Due to Increase in current asset
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	42.64%	14.14%	201.60%	Increase in Net profit with simultaneous increase in shareholder's equity caused the ratio to rise.
Debt-Equity Ratio	Total debt (including current maturities of long term borrowings and accrued interest excluding lease liabilities)	Shareholder's Equity	3.92	1.58	148.97%	Due to increase in borrowings with simultaneous increase in shareholder's equity caused the ratio to rise.
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest expense	Debt service = Interest & lease payments + principal repayments	0.20	0.23	-13.29%	Due to increase in borrowings
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	41.21	8.62	378.11%	Due to increase in revenue from operation
Trade payables turnover ratio (no. of times)	Total purchases of raw material	Average trade payables	28.20	4.24	564.68%	Due to increase in purchase
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	57.54	11.60	396.19%	Due to increase in revenue from operation
Net capital turnover ratio (no. of times)	Net Sales	Working capital = Current assets – Current liabilities	55.91	17.90	212.39%	Due to increase in revenue from operation
Net profit ratio (%)	Net Profits after taxes	Net Sales	0.51%	0.82%	-38.48%	Due to increase in Net sale ratio decrease
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Long Term Debt	35.48%	15.24%	132.88%	Due to increase in profit of the company

Particulars	Numerator	Denominator	31-Mar-2022	31-Mar-2021	Variance % (Mar-22-Mar-21)	Reason for Major Deviation (Mar-22-Mar-21)
Current Ratio (no. of times)	Current Assets	Current Liabilities	1.11	0.99	12.55%	NA
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	14.14%	-5.40%	-361.84%	Increase in Net profit with simultaneous increase in shareholder's equity caused the ratio to rise.
Debt-Equity Ratio	Total debt (including current maturities of long term borrowings and accrued interest excluding lease liabilities)	Shareholder's Equity	1.58	0.44	258.60%	Due to increase in borrowings with simultaneous increase in shareholder's equity caused the ratio to rise.
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest expense	Debt service = Interest & lease payments + principal repayments	0.23	0.05	343.63%	Due to increase in Net profit
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	8.62	2.55	237.39%	Due to increase in revenue from operation
Trade payables turnover ratio (no. of times)	Total purchases of raw material	Average trade payables	4.24	0.76	454.86%	Due to increase in purchase
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	11.60	0.00	1159.62%	Due to increase in revenue from operation
Net capital turnover ratio (no. of times)	Net Sales	Working capital = Current assets – Current liabilities	17.90	-246.72	-107.25%	Due to increase in revenue from operation
Net profit ratio (%)	Net Profits after taxes	Net Sales	0.82%	-0.96%	-185.59%	Due to increase in Net profit
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Long Term Debt	15.24%	32.92%	-53.72%	Due to increase in capital employed of company compare to increase in net profit

**Note 31****EMPLOYEE BENEFITS****I. Defined contribution plans**

The Company has classified the various benefits provided to employees as under:

a Employee Provident Fund

The expense recognised during the period towards defined contribution plan -

0

Particulars	For the year ended			
	31 January 2024	31-Mar-23	31-Mar-22	31-Mar-21
Employers Contribution to Employee Provident Fund	-	-	-	-
Employers Contribution to ESIC Fund	-	-	-	-

**II. Defined benefit plans**

Gratuity

The Company should provide for gratuity for employees in India as per the Payment of Gratuity Act 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service subject to a payment ceiling of INR 2000000/-.

Based on the actuarial valuation obtained in this respect the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Amount in Lakhs Unless Otherwise Stated)				
Defined benefit plans	For the year ended			
	31 January 2024	31-Mar-23	31-Mar-22	31-Mar-21
	Gratuity (Unfunded)	Gratuity (Unfunded)	Gratuity (Unfunded)	Gratuity (Unfunded)
<b>I Expenses recognised in statement of profit and loss during the year:</b>				
Current service cost	3.39	3.03	2.60	-
Past service cost	-	-	-	-
Expected return on plan assets	-	-	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	0.82	0.70	0.43	-
Net actuarial loss/ (gain)	2.24	0.14	0.57	-
Loss (gain) on curtailments	-	-	-	-
<b>Total expenses included in Employee benefit expenses</b>	<b>6.45</b>	<b>3.86</b>	<b>3.60</b>	<b>5.73</b>
<b>II Net asset /(liability) recognised as at balance sheet date:</b>				
Present value of defined benefit obligation	19.65	13.19	9.33	5.73
Fair value of plan assets	-	-	-	-
<b>Funded status [surplus/(deficit)]</b>	<b>-19.65</b>	<b>-13.19</b>	<b>-9.33</b>	<b>-5.73</b>
<b>III Movements in present value of defined benefit obligation</b>				
Present value of defined benefit obligation at the beginning of the year	13.19	9.33	5.73	-
Current service cost	3.39	3.03	2.60	-
Past service cost	-	-	-	-
Interest cost	0.82	0.70	0.43	-
Actuarial (gains) / loss	2.24	0.14	0.57	-
Benefits paid	-	-	-	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>19.65</b>	<b>13.19</b>	<b>9.33</b>	<b>5.73</b>
<b>Classification</b>				
Current liability	4.39	2.99	1.00	0.70
Non-current liability	15.25	10.21	8.33	5.04
<b>Best estimate for contribution during next Period</b>	<b>3.65</b>	<b>3.80</b>	<b>3.27</b>	<b>2.46</b>

## V Sensitivity analysis method

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

Particulars	For the year ended 31 January 2024	For the year ended 31-Mar-23	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Increase / (decrease) on present value of defined benefit obligation at the end of the year	19.65	13.19	9.33	5.73
(i) +1% increase in discount rate	18.41	12.31	8.68	5.31
(ii) -1% decrease in discount rate	21.04	14.18	10.07	6.22
(iii) +1% increase in rate of salary increase	21.06	14.20	10.08	6.22
(iv) -1% decrease in rate of salary increase	18.37	12.29	8.66	5.30
(v) +1% increase in rate of withdrawal rate increase	19.79	13.29	9.35	5.71
(vi) +1% decrease in rate of withdrawal rate	19.49	13.08	9.30	5.75

## VII Actuarial assumptions:

	31 January 2024	31-Mar-23	As at 31-Mar-22	31-Mar-21
Expected Return on Plan Assets	-	-	-	-
Discount rate	7.25 % per annum	7.50 % per annum	7.50 % per annum	7.50 % per annum
Expected rate of salary increase	5.00 % per annum	5.00 % per annum	5.00 % per annum	5.00 % per annum
Mortality Rate During Employment	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Retirement age	60 Years	60 Years	60 Years	60 Years

### Notes:

- The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.
- The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Note 32****SEGMENT REPORTING****(i) Business Segment**

The accounting policies adopted for segment reporting are in line with the accounting policies of their Company. Revenues, expenses, assets and liabilities have been identified into segments on the basis of their relationship to operating activities of segments (taking into account the nature of products and services and the risk and rewards associated with them) and internal management information systems and the same is reviewed from time to time to realign the same to conform to the business units of the Company. Revenues, expenses, assets, and liabilities, which are common to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been treated as "Common Revenues/Expenses/Assets/Liabilities", as the case may be.

**Operational segment revenue**

Particular	For the period ended	For the year ended		
	31-Jan-24	31-Mar-23	31-Mar-22	31-Mar-21
Sales of Traded goods	1,160.70	6,340.08	743.63	101.35
Sale of Services	491.78	339.46	257.64	211.26
Other Operating Revenue	5.52	0.87	-	-
<b>Total</b>	<b>1,657.99</b>	<b>6,680.41</b>	<b>1,001.27</b>	<b>312.60</b>

**(ii) Geographical Segment**

The Company activities / operations are confined to India and outside India as such there is two geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company two geographical segment.

Particular	For the period ended	For the year ended		
	31-Jan-24	31-Mar-23	31-Mar-22	31-Mar-21
In India	1,539.46	5,960.61	1,001.27	312.60
Out Side India	118.54	719.79	-	-
<b>Total</b>	<b>1,657.99</b>	<b>6,680.41</b>	<b>1,001.27</b>	<b>312.60</b>

## CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximizes shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital period ended January 31, 2024 and year ended March 31, 2023, March 31, 2022 and March 31, 2021 .The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio is as follows.

Particulars	As at			
	31-Jan-24	31-Mar-23	31-Mar-22	#####
	Amount	Amount	Amount	Amount
Borrowings	142.40	378.17	98.51	23.84
Less: cash and cash equivalents	31.51	189.73	51.04	24.74
Adjusted net debt	110.89	188.45	47.47	-0.89
<b>Total Equity</b>	<b>279.20</b>	<b>96.38</b>	<b>62.51</b>	<b>54.25</b>
<b>Adjusted net debt to adjusted equity ratio</b>	<b>0.40</b>	<b>1.96</b>	<b>0.76</b>	<b>-0.02</b>

## Note 33

### EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

## Note 34

### STATEMENT OF UNHEDGED FOREIGN CURRENCY EXPOSURE

Following is the foreign currency exposure at the end of respective years, the same has not been hedged by the company.  
(Amount in Lakhs, figures in INR)

Particulars	As at			
	31-Jan-24	31-Mar-23	31-Mar-22	#####
<b><u>Amount Receivable in Foreign Currency</u></b>				
Export Debtors	-	2.87	-	-
Advance to Supplier	30.01	-	-	-
<b>Total</b>	<b>30.01</b>	<b>2.87</b>	<b>-</b>	<b>-</b>
<b><u>Amount Payable in Foreign Currency</u></b>				
Import Creditors	-	-	-	-
Advance from Customers	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 35****TRANSACTIONS IN FOREIGN CURRENCY**

(Amount in Lakhs, figures in INR)					
Particulars	Currency	As at			
		31-Jan-24	31-Mar-23	31-Mar-22	#####
<b><u>Expense in Foreign Currency</u></b>					
Purchases	\$	124.98	-	-	-
Expenses					
<b><u>Income in Foreign Currency</u></b>					
Sales	\$	118.54	719.79	-	-

**Note 36****COVID 19 NOTE**

The World Health Organization announced a global health emergency because of a new strain of coronavirus (“COVID-19”) and classified its outbreak as a pandemic on 11 March 2020. On 24 March 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position for the year ended 31 March 2023 and has concluded that no there is no impact which is required to be recognized in the financial statements. Accordingly, no adjustments are required to be made to the



**Note 37****OTHER RELEVANT DISCLOSURES****Additional regulatory information required by Schedule III of Companies Act, 2013:**

- A.** Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.
- B.** The company has no transactions, which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the tax assessment or in search or survey or under any other relevant provision of the Income Tax Act, 1961.
- C.** The Company has not traded or invested in crypto currency or virtual currency for the period ended 31st January 2024 and for year ended March 2023, March 2022 and March 2021.
- D.** The Company do not had any transaction for the period ended 31st January 2024 and for the year ended March 2023, March 2022 and March 2021 with the companies which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- E.** The company has not been declared as willful defaulter by any bank or from any other lender for the period ended 31st January 2024 and for the year ended March 2023, March 2022 and March 2021.
- F.** The company has registered all the charges which are required to be registered under the terms of the loan and liabilities and submitted Documents with ROC within the period as required by Companies Act, 2013.
- G.** As per the information & detail available on records and the disclosure given by the management, the company has complied with the number of layers prescribed under clause (87) of section 2 of the companies act read with the Companies (Restriction on number of layers) Rules 2017.
- H.** As per the Information & details available on records and the disclosure given by the management, the company has not advanced, loaned or invested to any other person or entity or foreign entitles with the understanding that the intermediary shall directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security or like to or on behalf of the company. Further the company has not received any funds from any person, entity including the foreign entity with the understanding that the company shall directly or indirectly lend, invest or guarantee, security or like manner on behalf of the funding party.
- I.** Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- J.** The said provisions of Corporate Social Responsibility under section 135 of Companies Act, 2013 are not applicable to the company.

## OTHER FINANCIAL INFORMATION

### Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	January 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Net Worth (A)	279.20	96.38	62.51	54.25
EBITDA	219.95	57.09	12.08	21.33
Restated PAT as per Profit and Loss Account (₹ In lakhs) (B)	182.81	33.88	8.25	(3.01)
<b>Earnings per share</b>				
Restated basic and diluted earning per share (Post Bonus INR)	6.72	1.25	0.30	(0.11)
Return on Net Worth (%) (B/A)	65.48%	35.15%	13.20%	(5.55%)
Net asset value per share - Post Bonus (Face value of ₹ 10 each)	10.26	3.54	2.30	1.99

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.): Net profit after tax, as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.): Net profit after tax, as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year

(c) Return on net worth (%): Net profit after tax, as restated / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Post Bonus Total number of equity shares outstanding at the end of the period or year

2) The figures disclosed above are based on the restated summary statements of the company.

3) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows.

4) The Company had issued 27,10,000 Equity Shares of face value of ₹ 10/- each on February 02, 2024, through a bonus share issue in the ratio of 271:1 to all existing shareholders of the Company such bonus issuance have been considered while deriving at Net asset value per Equity Share and Basis and Diluted Earnings per Equity Share.

For further details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 222.

### Other financial statements

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company for the period ended January 31, 2024 and for the Fiscals 2023, 2022 and 2021 (“**Audited Financial Statements**”), respectively, are available on our website at [www.tepltrade.com](http://www.tepltrade.com). Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements of our Company and the reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

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## **FINANCIAL INDEBTEDNESS**

Our Company avail loans in the ordinary course of its business for the purposes of capital expenditure, working capital, vehicle loan and other business requirements. For details of the borrowing powers of our Board, please see the chapter entitled ‘*Our Management - Borrowing Powers of our Board*’ on page 156.

Our Company has obtained the necessary consents required under the loan agreements entered into in connection with and for undertaking activities in relation to the Issue, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

A brief summary of the financial indebtedness of our outstanding borrowings, as on May 15, 2024 is set out below:

Set out below are brief details of the term loan facilities availed by our Company from its lenders:

Sr. No.	Purpose	Amount Sanctioned (in ₹ lakhs)	Amount Outstanding (as on May 15, 2024) (in ₹ lakhs)	Rate of Interest/ Commission	Tenure / Tenor	Security
<b>HDFC Bank</b>						
1.	Car Loan	9.90	7.36	8.90%	48 months	RC book Hypothecation of HDFC Bank MH-47-BK-7666
<b>Loans from Non-Banking Financial Institutions</b>						
<b>Aditya Birla Finance Limited</b>						
2.	Overdraft Facility	25.00	17.61	18.00% per annum	36 months	Unsecured
<b>Bajaj Finserv</b>						
3.	Overdraft Facility	15.60	11.43	17.75% per annum	60 months	Unsecured
<b>RBL Bank Limited</b>						
4.	Secured Business Loan	84.50	83.15	9.25% per annum	180 months	Exclusive charge over property at: (i) Flat No. 2703, 27th Floor, Lotus Sky Garden Residences, Off Shankar Lane, Malad West Mumbai-400064; and (ii) Flat No. 702 & 703, 7 <sup>th</sup> Floor, Shiv Sadan Chsl, Cts No. 972, 143-Gokhale Road, Dahanukarwadi, Kandivali (West) Mumbai – 400067
<b>Indostar Capital Finance Limited</b>						
5.	LAP	46.00	43.05	12.50% per annum (floating)	180 months	Exclusive charge over property at Flat No. E-1103, Tower E, Phase-I, Akanksha, Savvy Swaraj, Godrej Garden City Road, Ahmedabad, Gujarat, India - 382470

Sr. No.	Purpose	Amount Sanctioned (in ₹ lakhs)	Amount Outstanding (as on May 15, 2024) (in ₹ lakhs)	Rate of Interest/ Commission	Tenure / Tenor	Security
<b>Loans from Directors</b>						
6.	Unsecured loan from Pravinchandra Nagindas Vaidya	-	0.25	-	On demand	Unsecured
7.	Unsecured loan from Rupesh Pravinchandra Dalal	-	5.50	-	On demand	Unsecured
	<b>Total</b>	<b>181</b>	<b>168.35</b>			

Principal terms of the financial arrangements entered into by our Company are disclosed below:

**Penal Interest:** The terms of certain financing facilities availed by our Company prescribes penalties for non-compliance of certain obligations by our Company. These include, *inter alia*, delay in payment of or non-payment of instalments or interest, irregularity in cash credit, non-submission / delay in stock statement, non-submission of renewal data, non-compliance with covenants, use of funds for anything other than the purpose for which the loan was availed, non-payment / non acceptance of demand / usance bills of exchange on presenting at due dates etc.

**Pre-payment:** Some of the terms of facilities availed by our Company have prepayment provisions which allow for prepayment of the outstanding loan amount, subject to such prepayment penalties as laid down in the facility agreements.

**Events of Default:** The financing arrangements entered into by our Company contain standard events of default, including:

- Default in performance of covenants, conditions or agreements in respect of the loan;
- Default in payment of EMIs or any other amounts due to the lender;
- Any unauthorized modification in the shareholding pattern of our Company including issuance of new shares in the share capital of our Company;
- Any action taken or legal proceedings initiated for winding up, dissolution, or reorganisation or for appointment of receiver, trustee or similar officer of any of Company's assets;
- Any information provided by our Company for financial assistance found to be misleading or incorrect in any material respect;
- For the period of overdue interest/instalment in respect of Term Loans and over drawings above the drawing power/limit in Fund Based Working Capital accounts on account of interest/devolvement of letters of credit/bank guarantee, insufficient stocks and receivables etc.;
- Breach of any of the provisions of any agreements with any other person or lender;
- Non-renewal of insurance policies in a timely manner or inadequate insurance cover; and
- Opening new current or other accounts, with banks outside the lending arrangement without obtaining Bank's NOC, or maintaining any current with any bank would amount to an event of default.

The details above are indicative and there are additional terms that may amount to an event of default under the financing arrangements entered into by our Company. Our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the agreements relating to the financing arrangements entered into by our Company, are not triggered.

**Consequences of Events of Default:** The financing arrangements entered into by our Company set out the consequences of occurrence of events of default, including:

- Obligation on part of the lender to make or continue to make the loan available, stands terminated;
- The lender may demand all or any part of the amount due together with accrued interest and all other amounts accrued shall become due and payable immediately;
- The lender may, without any prior notice to our Company, enforce any and/or all security created in its favour;

- The lender may levy additional/ default interest;
- The lender may seize, recover, collect, withdraw, receive the Hypothecated Assets and/or any income, profits and benefits thereof without interruption or hindrance by the Borrower and/or by any person;
- The lender may enter into and upon the premises of the Borrower and/or any other person who then has possession of the Hypothecated Assets;
- The lender may invoke guarantees of the guarantors or any other contractual comfort that may have been provided;
- The lender may cancel the undrawn commitment and suspend withdrawals under the facility; or
- The lender will have the right to appoint a nominee and/or observer on the Board.
- In case of default on his part to deliver possession, it shall be lawful for the Bank and its officers to take possession of the Hypothecated Vehicle from him and sell the same by private contract or otherwise as pledgee/hypothecate/mortgagee for adjustment of the Loan account.
- In the event of default on our part in honoring the guarantee hereby provided for repayment of the Bank's dues, despite having sufficient means, the Bank shall be entitled to proceed against us to declare us as 'Willful defaulter' in accordance with guidelines/instructions issued by RBI from time to time".

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific financing arrangements entered into by our Company.

**Restrictive Covenants:** Certain financing arrangements entered into by us contain restrictive covenants. An indicative list of such restrictive covenants is disclosed below. Our Company shall not without the prior approval of the lenders:

- Enter into borrowing arrangements either secured or unsecured with any other bank/financial institutions, or otherwise or accept deposits apart from the existing arrangement;
- The Borrower agrees not to induct any person in its board of director who has been identified as willful defaulter as per directions/guidelines of RBI or Bank
- Invest by way of share capital in or lend or advance funds to or place deposits with any concern: normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended;
- Transfer of the controlling interest or making any drastic change in the management set-up including resignation of promoter directors (includes key managerial personnel);
- Make any alteration or modifications to the Hypothecated Assets;
- Mortgage, lease, surrender or alienation of property or any part thereof;
- Enter into any agreement or arrangement with any person, institution or local or government body for the use, occupation or disposal of the property or any part thereof during the pendency of the loan;
- Enter into any scheme of merger, demerger, acquisition, reorganisation, scheme of arrangement or reconstruction;
- Declare any dividend if it fails to meet its interest payment obligations, make any investments by way of share capital or debentures and/ or advance funds to any party other than in the normal course of business;
- Recognize or register any transfer of shares in our Company's shareholding pattern/capital made or to be made by the promoters and their associates;
- Change or cause to change its shareholding pattern/ extent and nature of holding of the body corporate and/ or its directors/ partners/ designated partner and/or its constituent documents in the nature of Memorandum of Association etc.;
- Permit any significant change in the nature of business of our Company, ownership or control of our Company;
- Repay/ prepay or service any unsecured/ secured loans from the Promoter Group/ Directors and such loans from the Promoter Group/ Directors shall, during the tenor of the credit facility availed;

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific financing arrangements entered into by our Company.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

*The following discussion of our financial condition and results of operations should be read in conjunction with the "Restated Financial Statements" on page 174 of this Draft Red Herring Prospectus. Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" on pages 25 and 18 respectively of this Draft Red Herring Prospectus, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our restated financial statements included in this Draft Red Herring Prospectus are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Financial 2023, Financial 2022 and Financial 2021 included herein is based on the Restated Financial Statements, included in this Draft Red Herring Prospectus. For further information, see "Restatement Financial Statements" on page 174 of this Draft Red Herring Prospectus.*

### **OVERVIEW OF OUR BUSINESS**

We are engaged in the business of providing integrated cash and carry service across the commodity procurement value chain. We deal in the commodities market, primarily in agricultural commodities, wherein we offer contract execution services in the physical as well as exchange markets to business owners, farmer producer organization, stockists, farmers, traders, etc. As part of our service offerings we provide services including but not limited to, (i) crop procurement and price management solutions; (ii) quality management solutions with secured warehousing at reasonable prices to store commodities; (iii) arranging for bill discounting or loan against warehousing receipts from qualified and regulated institutions at lowest possible interest rates; (iv) arranging for transportation delivery solutions through smart delivery transport partners; and (v) arranging for insurance for stock in warehouse and stock in transit. In addition to cash and carry services, we also offer contract execution services for streamlining import and export of commodities by undertaking key functions such as import-export finance, quality testing and logistics for our customers. In addition to providing consultancy services to our customers, we also undertake trading of commodities in the domestic and international markets.

We are also engaged in carrying out cash and carry services for trading of commodities in the open physical market. We supply commodities to reputed companies engaged in the business of processing of commodities, stockists, importers, exporters, traders, etc. We procure the commodities from mandis through our employees and supply them to end users. Our revenue share is earned through the margin in the cost of commodities purchased and sold by us.

### **OUR BUSINESS STRATEGIES**

#### ***Investment in technology infrastructure and employee base***

With an intent to digitalise the operations of our Company, in the year 2023, our Company created a digitally native, technology led platform to offer an interactive procurement, selling and execution services, across our various offerings to our customers. We had proposed to develop our platform in two phases, out of which the first phase has been completed by our Company. As part of our first phase, our Company has developed an interactive platform on our website, which can be accessed by our sellers, buyers and stockists by easily registering by making payment of a nominal fee and, upon verification, start using the platform through separate login ids. The platform has been equipped to facilitate interaction between end users/ processors for negotiation and execution of contract, procurement or selling of commodities at pre-determined prices and placing service requests with us in respect of our cash and carry services. At present the platform has been equipped to be used by the buyers and sellers of commodities. Further, at present the platform provides options for placing buying and selling orders for a limited number of commodities and contract finalisation. The remaining functions, in respect of quality management, warehouse management, insurance, warehousing finance and logistics are undertaken physically by our employees.

As part of phase two, we propose to digitalise all of our operations of our cash and carry model and develop a mobile application, wherein the features of our platform would also be available on the phones of our customers and users. Through our mobile application we intend to provide omni-channel digital offerings, with fully integrated one click actions, through mobile, web and desktop versions. Accordingly, we intend to continue to invest and utilise ₹ 339.52

lakhs from the Net Proceeds towards developing, expanding and enhancing our technological capabilities by (i) developing our website and mobile application; (ii) hiring of employees for operation and maintenance of technical infrastructure; and (iii) purchasing subscription of server for hosting the technical platform and mobile application. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

### ***Setting up of customer care centers and branch offices***

Subsequent to development of our technology platform, we intend to centralize our operations digitally by setting up a customer care center. Accordingly, we propose to set up a customer care center in Mumbai, which will be responsible for, *inter alia*, (i) negotiating and executing contracts between buyers and sellers; (ii) addressing complaints of our customers in relation to the technology platform; (iii) assessing the credibility of the customers and intermediaries prior to onboarding them on the platform; and (iv) coordinating with quality, insurance, warehousing, finance and logistical agencies for contract execution. The contract centre will also be responsible for business development by undertaking continuous dialogue with our customers and intermediaries.

Further, in order to market our platform and our services, we intend to set up branch offices in Ahmedabad and Hyderabad, wherein our employees would on a regular basis contact traders, farmers produce organizations and other sellers to join our platform. At present we have set up branch offices at Rajasthan, Madhya Pradesh, Gujarat, Uttar Pradesh and Telangana, and we intend to set up additional two branch offices in Ahmedabad and Hyderabad. In addition to marketing and selling our services, the employees who shall be stationed at our branch offices shall also be responsible for executing the contracts of our customers by arranging for procurement, quality testing, warehousing and delivery in the aforementioned regions. We intend to utilise ₹ 117.24 lakhs from the Net Proceeds towards funding costs relating to (i) rent and security deposit for obtaining a lease for branch offices and customer care centers; (ii) hiring technical staff to operate in the branch offices and customer care centers; and (iii) purchasing desktops, laptops and tablets for the staff. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

### ***Strengthen our marketing network***

We continue to enhance our business operations by ensuring that our customer base increases through our marketing efforts. We believe that our ability to customize our offerings for the various applications by our customers can help us diversify our operations across different customer segments. Our core competency lies in the thorough understanding of our customers’ needs and preferences, our vision to engage in sustainable practices and providing unparalleled quality of our offerings thereby achieving customer loyalty. We intend to strengthen our existing marketing team by inducting qualified and experienced personnel, who will supplement our existing marketing strategies.

We would aim our business strategies to be dynamic and proactive, given the macro and micro market environments in which we operate or where we may expand in the future. Our Company shall always strive to:

- achieve maximum operational efficiency;
- strengthen and expand our market position and service portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our network of traders, FPOs, customers and geographical reach.

### ***Enhancing our relationships with third party intermediaries***

We will enhance the growth of our operations by leveraging our relationships and further increasing the numbers of intermediaries through which we execute our operations. We anticipate that with the completion of development our technology platform, there will be an increase in the contracts which will be executed by our Company. Accordingly, we intend to leverage our relation with our intermediaries by booking warehouse spaces to execute orders in an efficient and timely manner. In order to ensure effective and timely execution of future contracts through our technology platform, we intend to book warehouse spaces in different cities for our customers, by paying security deposit to Go Green Warehouse Private Limited. We propose to utilise an amount of ₹ 40.00 lakhs towards booking warehouse space with Go Green Warehouse Private Limited. We believe that our continued relationship with intermediaries will enable us in seamlessly executing our quality management, warehouse management, insurance, warehousing finance and logistics operations. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

Further, prior to hosting the technical platform, our Company shall be executing formal arrangements with the intermediaries for warehousing, quality, insurance, finance and logistics services. The arrangements would enable them to display their facilities, services, location of services on our platform. Pursuant to such integration, sellers and buyers would be able to directly negotiate prices with our intermediaries and request for services through the technology platform.

### ***Retain and attract the best talent and develop a performance focused culture***

Our employees are critical to our business. We believe that the key to our success will be our ability to continue to maintain and grow a team of talented and experienced professionals. We intend to continue placing special emphasis on attracting, training and retaining our employees. We have been successful in building a team of talented professionals and intend to continue placing emphasis on managing attrition and attracting and retaining motivated employees. We intend to increase our employee base for (i) operating and maintaining our technical platform; (ii) marketing and selling our services in our proposed branch offices and (iii) providing contract execution and technical support services in the proposed customer center. We intend to utilise a portion of the Net Proceeds towards recruiting such employees for executing the operations of our Company. For further details, please see the chapter titled “*Objects of the Issue*” on page 81 of this Draft Red Herring Prospectus.

We will continue to help our employees develop understanding of our customer-oriented corporate culture and service quality standards to enable them to continue to meet our customers’ changing needs and preferences. We will continue to regularly review and update our employee compensation plans and bonuses based on their individual performance so that our employees are suitably incentivised. We also intend to continuously re-engineer our organisation set up towards lean structure to allow us to respond effectively to changes in the business environment of our markets.

### **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page 25 of this Draft Red Herring Prospectus. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Substantial portion of our revenues has been dependent upon few customers. The loss of any one or more of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition. Further, we generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.
- Our business is subject to seasonal and price volatility of commodities in the physical market as well as commodity exchanges, which may contribute to fluctuations in our results of operations and financial condition.
- We are involved in high volume - low margin business. Any disruption in our turnover or failure to regularly grow the same may have a material adverse effect on our business, results of operations and financial condition.
- We have a limited experience of running our technology platform, as a result of which we may not be able to compete successfully, and it may be difficult to evaluate our business and future operating results on the basis of our past performance.
- A significant portion of services forming part of our cash and carry model are executed by third parties, with which we do not have any formal arrangements.

### **SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled “Restated Financial Information” on page 174 of this Draft Red Herring Prospectus.

### **CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS**

Except as mentioned in the Notes to the Accounts in the chapter “Restated Financial Information” on page 174 of this Draft Red Herring Prospectus has been no change in accounting policies in last 3 years.

### **RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS**

The Examination Report issued by our Statutory Auditors has no reservations, qualifications and adverse remarks.

### **RESULTS OF OPERATIONS**



For ten months' period ending on January 31, 2024

Particulars	January 2024	
	₹ in Lakhs	% of total income
<b>Income</b>		
Revenue from operations	1,657.99	96.33
Other income	63.20	3.67
<b>Total income</b>	1,721.20	100.00
<b>Expenditure</b>		-
Purchases of stock-in-trade	1,069.93	62.16
Changes in inventories of finished goods, and stock-in-trade	39.51	2.30
Employee benefit expenses	188.73	10.97
Finance cost	30.36	1.76
Depreciation & amortization	4.30	0.25
Other expenses	139.88	8.13
<b>Total expenditure</b>	1,472.71	85.56
<b>Profit/(Loss) before exceptional and extra-ordinary item</b>	248.48	14.44
Exceptional items	-	-
<b>Profit/(Loss) before tax (2-4)</b>	248.48	14.44
<b>Tax expense:</b>		-
Tax expense for current year	66.21	3.85
Short/(Excess) provision of earlier year	-	-
Deferred tax	(0.54)	(0.03)
<b>Net current tax expenses</b>	65.67	3.82
<b>Profit/(Loss) for the period from continuing operations (5-6)</b>	182.81	10.62
Earnings per share		
Basic and Diluted [nominal value of INR 10 per share]	6.72	

#### **Total income**

##### ***Revenue from operations***

Our revenue from operations comprises of sale of Traded goods and services and other operating revenue.

##### ***Other Income***

Other income comprises of Deduction for Moisure, Delay Payment Charged, Interest Income, Profit on Sale of Car, Rent income, Miscellaneous income and Short Term Capital Gain on Mutual fund.

##### ***Expenses***

Our expenses consist of Purchases of stock-in-trade, Changes in inventories of finished goods, and stock-in-trade, employee benefit expense, finance cost, depreciation and amortisation expenses and other expenses.

##### ***Employee benefit expenses***

Employee benefit expense consists of salaries and bonus, Director's Remuneration, Gratuity Expenses and Other employee benefit expenses.

##### ***Finance Costs***

Finance Costs consists of interest expense of financial liabilities on borrowings cost and other finance cost.

***Depreciation and amortisation expenses***

Depreciation and amortization expenses consist of depreciation on tangible and intangible assets owned by our company.

***Other expenses***

Other expenses include Audit Fees, Brokerage Paid, Bank charges, Consultancy & Professional Fees, Entertainment Expenses, Export Expenses, Food Expenses, Fuel, Parking & Toll Expenses, Incidental Expense, Insurance Expenses, Miscellaneous Expense, Office Expenses, Power & Fuel, Quality Rebate, Repairs & Maintenance Expenses, Rent, Rate and taxes, Travelling & Lodging Expenses etc.

***Tax expenses***

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

**PERIOD ENDED JANUARY 31, 2024**

**Income**

The total income of our company for the period ended January 31, 2024 was Rs 1,721.20 Lakhs. Total income of period ended January 31, 2024 was decreased due to global market conditions, government imposed certain restriction related to export and stock limitation on some commodities and Q3 contracts executed in Q4 after January 2024. Few commodities which were under restrictions was Broken Rice, Sugar, Wheat, par boiled rice, Onion, Toor etc.

**Expenditure**

**Purchases of stock-in-trade**

For the period ended January 31, 2024, our Company incurred Rs 1,069.93 Lakhs

**Employee Benefit Expenses**

For the period ended January 31, 2024, our Company incurred for employee benefit expenses Rs 188.73 Lakhs

**Finance Costs**

For the period ended January 31, 2024 cost is Rs 30.36 Lakhs.

**Depreciation**

For the period ended January 31, 2024, depreciation cost incurred is Rs 4.30 Lakhs.

**Other Expenses**

For the period ended January 31, 2024, our other expense incurred is Rs 139.88 Lakhs.

**Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the period ended January 31, 2024 of Rs 248.48 Lakhs.

**Profit/ (Loss) after Tax**

Profit after tax for the period ended January 31, 2024 of Rs 182.81 Lakhs

The following table sets out selected data from the Restated Financial Statements for Financial Year 2023 and Financial Year 2022, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY 2023		FY 2022	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
<b>Income</b>				
Revenue from operations	6,680.41	99.75	1,001.27	99.28
Other income	16.58	0.25	7.22	0.72
<b>Total income</b>	<b>6,696.99</b>	<b>100.00</b>	<b>1,008.49</b>	<b>100.00</b>
<b>Expenditure</b>		-		-
Purchases of stock-in-trade	6,135.67	91.62	910.70	90.30
Changes in inventories of finished goods, and stock-in-trade	113.18	1.69	(172.69)	(17.12)
Employee benefit expenses	147.46	2.20	121.14	12.01
Finance cost	22.11	0.33	2.08	0.21
Depreciation & amortization	3.99	0.06	3.81	0.38
Other expenses	227.01	3.39	130.03	12.89
<b>Total expenditure</b>	<b>6,649.41</b>	<b>99.29</b>	<b>995.07</b>	<b>98.67</b>
<b>Profit/(Loss) before exceptional and extra-ordinary item</b>	<b>47.58</b>	<b>0.71</b>	<b>13.41</b>	<b>1.33</b>
Exceptional items	-	-	-	-
<b>Profit/(Loss) before tax (2-4)</b>	<b>47.58</b>	<b>0.71</b>	<b>13.41</b>	<b>1.33</b>
<b>Tax expense:</b>		-		-
Tax expense for current year	13.71	0.20	4.78	0.47
Short/(Excess) provision of earlier year	0.10	0.00	-	-
Deferred tax	(0.11)	(0.00)	0.38	0.04
<b>Net current tax expenses</b>	<b>13.70</b>	<b>0.20</b>	<b>5.16</b>	<b>0.51</b>
<b>Profit/(Loss) for the period from continuing operations (5-6)</b>	<b>33.88</b>	<b>0.51</b>	<b>8.25</b>	<b>0.82</b>
Earnings per share				
Basic and Diluted [nominal value of INR ** per share]	1.25		0.30	

**Comparison of Historical Results of Operations****Financial Year 2023 compared to Financial Year 2022****Total Revenue**

The total revenue for Financial year ended March 31, 2023 increased from ₹1,008.49 Lakhs during the financial year ended March 31, 2022 to ₹ 6,696.99 Lakhs an increase of ₹ 5,688.50 Lakhs or 564.06 % This increase was due to an increase in revenue of sale of traded goods including domestic and export sales by 752.58% and increase in sale of services by 31.76 % and increase in other income by 129.81%

### ***Revenue from operations***

Our revenue from operations increased from ₹1,001.27 Lakhs during the financial year ended March 31, 2022 to ₹ 6,680.41 Lakhs in financial year ended March 31, 2023, an increase of ₹5,679.14 Lakhs or 567.19%. This was mainly due to an increase in revenue of sale of traded goods including domestic and export sales by 752.58% and increase in sale of services by 31.76 % the reason for increase are as follows:

- i. Increase due to company started export during the financial year ended March 31, 2023
- ii. Company increased volume of sale with new customer.

### ***Other income***

Other income increases from ₹ 7.22 Lakhs during the financial year ended March 31, 2022 to ₹ 16.58 Lakhs for the financial year ended March 31, 2023, an increase of ₹9.37 Lakh or 129.78%, this increase was majorly due to increase in rent, Moisure and short-term capital gain income.

### ***Expenses***

Out total expenses increased from ₹995.07 Lakhs for the financial year ended March 31, 2022 to ₹6,649.41 for the financial year ended March 31, 2023 which was an increase of ₹5,654.33 Lakhs or 568.23 % This was due to an increase in purchase of stock in trade, employees benefit expenses, finance costs, and overall increase in other expenses. The reason for increase is as follows.

- i. As an increase in sale during the financial year ended March 31, 2023, there was majorly increase in purchase of stock in trade from ₹910.70 Lakhs for the financial year ended March 31, 2022 to ₹ 6,135.67 Lakhs for the financial year ended March 31, 2023 which was an increase of ₹ 5,224.97 Lakhs or 573.73 %

### ***Employee benefit expenses***

Employee benefits expense increased from ₹121.14 Lakhs for the financial year ended March 31, 2022 to ₹ 147.46 for the financial year ended March 31, 2023. This was an increase of ₹26.32 Lakhs or 21.73% over the previous year. This was majorly due to an increase in salaries, increase in Gratuity Expenses, and increase in Other employee benefit expenses.

### ***Finance Costs***

Finance costs increased from ₹2.08 Lakhs for the financial year ended March 31, 2022 to ₹22.11 Lakhs for the financial year ended March 31, 2023, an increase of ₹ 20.02 Lakhs or 961.73% This was due to an increase in borrowings.

- i. There was increase in finance cost due to total borrowing of company increased from ₹ 98.51 Lakhs for the financial year ended March 31, 2022 to ₹ 378.17 Lakhs for the financial year ended March 31, 2023. This was an increase of ₹279.67 Lakhs or 283.91% over the previous year

### ***Purchase of Stock- in- trade***

Purchase in stock-in-trade increased from ₹ 910.70 Lakhs for the financial year ended March 31, 2022 to ₹ 6,135.67 Lakhs for the financial year ended March 31, 2023, an increase of ₹ 5,224.97 Lakhs or 573.73% This is aligned with increase in total revenue from operations majorly due to venturing in foreign market.

### ***Depreciation and Amortisation Expense***

Depreciation and amortization expense for the year ended March 31, 2023 was ₹ 3.99 Lakhs as compared to ₹ 3.81 Lakhs for the year ended March 31, 2022, an increase of ₹0.18 Lakhs. This was due to purchase of Property, plant and equipment during the financial year ended March 31, 2023.

### ***Other expenses***

Other expenses for increased from ₹ 130.03 Lakhs for the financial year ended March 31, 2022 to ₹ 227.01 Lakhs for the financial year ended March 31, 2023, an increase of ₹ 96.98 Lakhs or 74.58% over the previous year. This was majorly due to an increase in Brokerage Paid, Consultancy & Professional Fees, Export Expenses and Travelling & Lodging Expenses- Domestic etc. during the year ended March 31, 2023.

***Profit/(Loss) before Tax after Exceptional Item***

The profit before tax for the year ended March 31, 2023 was ₹ 47.58 Lakhs as compared to ₹ 13.41 Lakhs for the year ended March 31, 2022, an increase of ₹ 34.17 Lakhs or 254.78 %. This was due to an increase in total revenue as compared to the total expenses of the previous year.

***Taxation***

Total tax expense for the year ended March 31, 2023 was ₹ 13.70 Lakhs as compared to ₹ 5.16 Lakhs for the year ended March 31, 2022.

***Profit/Loss after Tax***

As a result of the aforesaid, Our Company earned a profit for the year for the year ended March 31, 2023 of ₹ 33.88 Lakhs 33.88 Lakhs as compared to ₹ 8.25 Lakhs for the financial year ended March 31, 2022. In conclusion growth of PAT is attributed to following reasons:

- i. Venturing in Exports: As company started exploring in foreign market. Company has mainly exported Maize to Malaysia and Soya bean Meals to Myanmar in this period.

**The following table sets out selected data from the Restated Financial Statement for Financial Year 2022 and Financial Year 2021, together with the percentage that each line item represents of our total revenue for the periods presented.**

Particulars	FY 2022		FY 2021	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
<b>Income</b>				
Revenue from operations	1,001.27	99.28	312.60	99.72
Other income	7.22	0.72	0.89	0.28
<b>Total income</b>	1,008.49	100.00	313.49	100.00
<b>Expenditure</b>		-		-
Purchases of stock-in-trade	910.70	90.30	98.84	31.53
Changes in inventories of finished goods, and stock-in-trade	(172.69)	(17.12)	-	-
Employee benefit expenses	121.14	12.01	103.35	32.97
Finance cost	2.08	0.21	0.87	0.28
Depreciation & amortization	3.81	0.38	3.25	1.04
Other expenses	130.03	12.89	89.08	28.42
<b>Total expenditure</b>	995.07	98.67	295.40	94.23
<b>Profit/(Loss) before exceptional and extra-ordinary item</b>	13.41	1.33	18.10	5.77
Exceptional items	-	-	-	-
<b>Profit/(Loss) before tax (2-4)</b>	13.41	1.33	18.10	5.77
<b>Tax expense:</b>		-		-
Tax expense for current year	4.78	0.47	6.27	2.00
Short/(Excess) provision of earlier year	-	-	16.03	5.11

Particulars	FY 2022		FY 2021	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Deferred tax	0.38	0.04	(1.19)	(0.38)
<b>Net current tax expenses</b>	5.16	0.51	21.11	6.73
<b>Profit/(Loss) for the period from continuing operations (5-6)</b>	8.25	0.82	(3.01)	(0.96)
Earnings per share				
Basic and Diluted [nominal value of INR 10 per share]	0.30		(0.11)	

## Comparison of Historical Results of Operations

### Financial Year 2022 compared to Financial Year 2021

#### Total Revenue

The total revenue for Financial year ended March 31, 2022 increased from ₹ 313.49 Lakhs during the financial year ended March 31, 2021 to ₹ 1,008.49 Lakhs in financial year ended March 31, 2022, an increase of ₹ 694.99 Lakhs or 221.69 %. This increase was due to an increase in revenue of sale of goods by 633.75 % and increase in sale of services by 21.95 % and other income by 709.56 % as compared to previous year

#### Revenue from Operations

Our revenue from operations increased from ₹ 312.60 Lakhs during the financial year ended March 31, 2021 to ₹ 1,001.27 Lakhs in financial year ended March 31, 2022, an increase of ₹ 688.67 Lakhs or 220.30 %. This increase was due to an increase in revenue of sale of goods by 633.75% and increase in sale of services by 21.95 % during the financial year ended March 31, 2022 as compared to the previous year. the reason for increase is as follows:

- i. Due to company started sale with new customer from January 2022 onwards. Company has started business relation with a new customer in this period, the same customer has contributed 41% in the total turnover of the Company for the financial year ended March 31, 2022.

#### Other income

Other income increased from ₹ 0.89 Lakhs to ₹ 7.22 Lakhs, an increase of ₹ 6.32 Lakh or 709.56%. This increase was majorly due to increase in rent income and interest income.

#### Expenses

Our total expenses increased from ₹ 295.40 Lakhs for the financial year ended March 31, 2021 to ₹ 995.07 Lakhs for the financial year ended March 31, 2022 which was an increase of ₹ 699.68 Lakhs or 236.86 % This was due to increase in Purchases of stock-in-trade, finance cost, employee benefit cost an increase in other expenses. The reason for increase are as follows.

- i. As an increase in sale during the financial year ended March 31, 2022, there was majorly increase in purchase of stock in trade from ₹98.84 Lakhs for the financial year ended March 31, 2021 to ₹ 910.70 Lakhs for the financial year ended March 31, 2022 which was an increase of ₹ 811.86 Lakhs or 821.36 %

#### Employee benefit expenses

Employee benefits expense for the year ended March 31 2022 was ₹ 121.14 Lakhs compared to ₹ 103.35 Lakhs for the year ended March 31, 2021. This was an increase of ₹ 17.78 Lakhs or 17.21 % over the previous year. This was majorly due to an increase in salaries expense.

#### Finance Costs

Finance costs for the year ended March 31, 2022 was ₹ 2.08 Lakhs as compared to ₹ 0.87 Lakhs for the year ended March 31, 2021, an increase of ₹ 1.21 Lakhs or 139.97 % This was due to an increase in borrowings

- i. There was increase in finance cost due to total borrowing of company increased from ₹ 23.84 Lakhs for the financial year ended March 31, 2021 to ₹ 98.51 Lakhs for the financial year ended March 31, 2022. This was an increase of ₹74.66 Lakhs or 313.16% over the previous year.

#### ***Purchases of stock-in-trade***

Purchases of stock-in-trade for the year ended March 31, 2022 was ₹ 910.70 Lakhs as compared to ₹ 98.84 Lakhs for the year ended March 31, 2021, an increase of ₹ 811.86 Lakhs or 821.36 % This was due to an increase in sales.

#### ***Other expenses***

Other expenses for the year ended March 31, 2022 was ₹ 130.03 Lakhs as compared to ₹ 89.08 Lakhs for the year ended March 31, 2021, an increase of ₹ 40.95 Lakhs or 45.97 % over the previous year. This was majorly due to increase in consultancy & professional fees, miscellaneous expense, Rent, Rate and taxes, Travelling & Lodging Expenses etc. during the year ended March 31, 2022.

#### ***Profit/(Loss) before Tax***

The profit before tax for the year ended March 31, 2022 was ₹ 13.41 Lakhs as compared to a profit of ₹ 18.10 Lakhs for the year ended March 31, 2021, a decrease of ₹ 4.69 Lakhs or 25.90%. This was due to an increase in expense as compared to the previous year.

#### ***Taxation***

Total tax expense for the year ended March 31, 2022 was ₹ 5.16 Lakhs as compared to ₹ 21.11 Lakhs for the year ended March 31, 2021.

#### ***Profit/Loss after Tax***

As a result of the aforesaid, Our Company earned a profit for the year for the year ended March 31, 2022 of ₹ 8.25 Lacs as compared to a loss of ₹ (3.01) Lakhs for the financial year ended March 31, 2021.

### **CASH FLOWS**

The following table sets forth certain information relating to our standalone cash flows:

(₹ in Lakhs)

Particulars	January 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Net Cash Flow from/ (used in) Operating Activities (A)	88.76	114.81	(9.92)	16.05
Net Cash Flow used in Investing Activities (B)	6.23	(1.96)	2.39	(2.15)
Net Cash Flow used in Financing Activities (C)	(253.21)	25.84	33.83	1.16
<b>Net increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(158.22)</b>	<b>138.69</b>	<b>26.30</b>	<b>15.06</b>
Cash and cash equivalents at the beginning of the year/period	189.73	51.04	24.74	9.68
<b>Cash and cash equivalents at year/ period end</b>	<b>31.51</b>	<b>189.73</b>	<b>51.04</b>	<b>24.74</b>

#### **Cash generated from Operating Activities**

Net cash used from operating activities for the year ended March 31, 2023 was ₹114.81 Lakhs as compared to the profit/(loss) before tax of ₹ 47.58 Lakhs for the same period. This difference is primarily on account of, depreciation, finance costs, interest income, and profit on sale of car.

Net cash used in operating activities for the year ended March 31, 2022 was ₹ (9.92) Lakhs as compared to the profit/(loss) before tax of ₹ 13.41 Lakhs the same period. This difference is primarily on account of depreciation, finance costs, interest income.

Net cash used in operating activities for the year ended March 31, 2021 was ₹ 16.05 Lakhs as compared to the profit/(loss) before tax of ₹ 18.10 Lakhs the same period. This difference is primarily on account of depreciation, finance costs, interest income and Short/(Excess) provision of earlier year.

#### **Net Cash used in Investing Activities**

Net cash used in investing activities for the year ended March 31, 2023 was ₹ (1.96) Lakhs. This was on account of proceeds from Purchase/sale of Plant, Property and Equipment and interest income.

Net cash generated in investing activities for the year ended March 31, 2022 was ₹ 2.39 Lakhs. This was on account of proceeds from Purchase/sale of Plant, Property and Equipment and interest income.

Net cash generated in investing activities for the year ended March 31, 2021 was ₹ (2.15) Lakhs. This was on account of proceeds from Purchase/sale of Plant, Property and Equipment and interest income.

#### **Net Cash flow used in Financing Activities**

Net cash flows generated from financing activities for the year ended March 31, 2023 was 25.84 Lakhs. This was on account of Proceeds from Finance Cost, Proceeds/ (repayment) from long term borrowings, and Increase/(Decrease) in Long term Loans & Advances.

Net cash flows generated from financing activities for the year ended March 31, 2022 was 33.83 Lakhs. This was on account of Finance Cost, Proceeds/ (repayment) from long term borrowings, Increase/(Decrease) in other long-term Loans & Advances in the same year.

Net cash flows generated from financing activities for the year ended March 31, 2021 was 1.16 Lakhs. This was on account of Finance Cost, Proceeds/ (repayment) from long term borrowings, Increase/(Decrease) in other long-term Loans & Advances in the same year.

#### **Contingent Liabilities**

We have TDS demand of Rs 3.32 Lakhs, as on January 31, 2024, March 31, 2023 and Rs 1.08 Lakhs as on March 31, 2022 and Rs 0.46 Lakhs contingent liabilities as on March 31, 2021.

#### **Off-Balance Sheet Arrangements**

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

### **QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

**Credit Risk:** Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or other counterparties.

**Operational Risk:** Operational risks are risks arising from inadequate or failed internal processes, people and systems or external events. The internal control includes effective separation of functions, segregation of roles and responsibilities, reliance on the maker-checker concept, monitoring of exceptions, etc. We also attempt to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing policies and procedures to monitor transactions, maintaining necessary back-up procedures and undertaking contingency planning.

**Liquidity Risk:** Liquidity risk arises due to the unavailability of an adequate amount of funds to meet the Company's financial obligations at an appropriate price and tenure. The Company attempts to minimise this risk through a mix of strategies, including diversification of sources of funds, securitisation and assignment of receivables, fixing caps on short term funds and maintaining liquidity buffer.

**Business Risk:** The Company, is exposed to various external risks which have a direct bearing on the sustainability and profitability of the Company. Foremost amongst them are Industry Risk and Competition Risk. The volatile macroeconomic conditions and change in sector dynamic in various commercial segments cause ups and downs in the business and may result in impairment of loan assets.



**Regulatory Risk:** It is the risk of change in-laws and regulations materially impacting the business. All the periodic guidelines issued by regulators are fully adhered to and complied with by the Company.

**Reputation Risk:** Reputational risk is the risk of possible damage to the company's reputation, and the associated risk to earnings, capital or liquidity, arising from any association, action or inaction which could be perceived by stakeholders to be inappropriate, unethical or inconsistent.

## **RELATED PARTY TRANSACTIONS**

For details of our related party transactions, see "Restated Financial Information - Related Party Transactions" on page 174 of this Draft Red Herring Prospectus.

## **Qualitative Disclosure about Market Risk**

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as described in the section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 25 and page 222 respectively of this Draft Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

### **Unusual or Infrequent Events or Transactions**

Except as described elsewhere in this Draft Red Herring Prospectus, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

### **Significant economic/regulatory changes**

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Except as disclosed in this Draft Red Herring Prospectus, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

### **Major changes in these factors can significantly impact income from continuing operations.**

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "Risk Factors" on page 25 of this Draft Red Herring Prospectus.

### **Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Other than as described in the section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 25 and 222 respectively, and elsewhere in this Draft Red Herring Prospectus, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

### **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**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

## **Competitive Conditions**

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths we will be able to stay competitive. For further details, kindly refer the chapter titled "Our Business" on page 125 of this Draft Red Herring Prospectus.

## Total Turnover of Each Major Business Segment

### (i) Business Segment

The accounting policies adopted for segment reporting are in line with the accounting policies of their Company. Revenues, expenses, assets and liabilities have been identified into segments on the basis of their relationship to operating activities of segments (taking into account the nature of products and services and the risk and rewards associated with them) and internal management information systems and the same is reviewed from time to time to realign the same to conform to the business units of the Company. Revenues, expenses, assets, and liabilities, which are common to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been treated as "Common Revenues/Expenses/Assets/Liabilities", as the case may be.

#### Operational segment revenue

Particular	For the period ended	For the year ended		
	31-Jan-24	31-Mar-23	31-Mar-22	31-Mar-21
Sales of Traded goods	1,160.70	6,340.08	743.63	101.35
Sale of Services	491.78	339.46	257.64	211.26
Other Operating Revenue	5.52	0.87	-	-
<b>Total</b>	<b>1,657.99</b>	<b>6,680.41</b>	<b>1,001.27</b>	<b>312.60</b>

### (ii) Geographical Segment

The Company activities / operations are confined to India and outside India as such there is two geographical segments. Accordingly, the figures appearing in these financial statements relate to the Company two geographical segment."

(in lakhs)

State	January 31, 2024		March 31, 2023		March 31, 2022		March 31, 2021	
	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations	Revenue from operations	% of Revenue from operations
Maharashtra	1207.05	72.80	4629.91	69.31	628.55	62.78	230.47	73.73
Rajasthan	215.42	12.99	94.67	1.42	0	0	0	0
Madhya Pradesh	61.43	3.71	0	0	0	0	0	0
Gujarat	55.56	3.35	492.83	7.38	60.5	6.04	82.13	26.27
Telangana	0	0	736.74	11.03	201.77	20.15	0	0
Uttar Pradesh	0	0	6.47	0.10	110.45	11.03	0	0
Domestic Total	<b>1539.46</b>	<b>92.85</b>	<b>5960.62</b>	<b>89.23</b>	<b>1001.27</b>	<b>100</b>	<b>312.6</b>	<b>100</b>
Export	118.54	7.15	719.79	10.77	0	0	0	0
Total Revenue	<b>1657.99</b>	<b>100.00</b>	<b>6680.41</b>	<b>100.00</b>	<b>1001.27</b>	<b>100</b>	<b>312.6</b>	<b>100</b>

### New Product or Business Segment

Except as disclosed in "Our Business" on page 125 of this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

### Seasonality of Business

Our Company's business is seasonal in nature.

### Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Draft Red Herring Prospectus, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

**Significant Developments since last balance sheet date**

To our knowledge no circumstances have arisen since January 31, 2024, the date of the last financial information disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

### **CAPITALISATION STATEMENT**

The following table sets forth our capitalisation derived from our Restated Financial Statements for the period ended January 31, 2024, and as adjusted for the Issue. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Financial Statements*” and “*Risk Factors*” on pages 222, 174 and 25, respectively.

(in ₹ lakhs)

Particulars	Pre-Issue as at January 31, 2024 (A)	Adjusted for the Proposed Issue* (B)
<b>Total borrowings</b>		
Current borrowings (A)	26.65	[●]
Non-current borrowings (B)	115.75	[●]
<b>Total Borrowings (C)</b>	142.40	[●]
<b>Total equity</b>		
Equity share capital	1.00	[●]
Other equity <sup>#</sup>	278.20	[●]
<b>Total equity (D)</b>	279.20	[●]
<b>Total Capitalization (D+C)</b>	421.60	[●]
<b>Total non-current borrowings (including current maturities of long-term borrowings)/ Total equity (B)/(D)</b>	0.41	[●]
<b>Total borrowings/ total equity (C) / (D)</b>	0.51	[●]

**Notes:**

1. As per Restated Financial Statements of the Company.
2. The corresponding post capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of Book building process and hence the same have not been provided in the above statement.

## **SECTION VII – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or Stock Exchanges against the Promoters in the last five financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors, Promoter and Group Company (“**Related Parties**”).

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated April 15, 2024, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Draft Red Herring Prospectus, if:

- a.) The aggregate monetary claim/ dispute amount/ liability made by or against our Company in any such pending litigation (individually or in aggregate), is equivalent to or above 5% of the restated profit after tax of our Company, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ₹ 1.69 lakhs);
- b.) Any such pending litigation / arbitration proceeding involving the Directors or Promoters of our Company or our Group Company, which may have a material adverse impact on the business, operations, performance, prospects, financial position or reputation our Company; and
- c.) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (a) or (b) above, as applicable, or wherein our Company is not a party, but the outcome of which could, nonetheless, have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company.

Our Board of Directors considers dues owed by our Company to the small-scale undertakings and other creditors, is equivalent to or above 5% of the restated trade payables of our Company, exceeding ₹ 6.52 lakhs as material dues for the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on April 15, 2024. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditor.

All terms defined in a particular litigation are for that particular litigation only.

#### **1. LITIGATION INVOLVING OUR COMPANY**

##### **i. Litigation against our Company**

###### **1. Criminal Proceedings**

Nil

###### **2. Actions taken by Statutory/Regulatory Authorities**

Nil

###### **3. Tax Proceedings**

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

(₹ in lacs)		
<b>Particulars</b>	<b>Number of cases</b>	<b>Amount involved*</b>
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		

Particulars	Number of cases	Amount involved*
Cases filed against our Company	6	3.32
Cases filed by our Company	Nil	Nil
<b>Total</b>	<b>6</b>	<b>3.32</b>

*\*To the extent quantifiable*

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscal years*

Nil

We confirm that there are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non disclosure of which may have bearing on the investment decision.

**ii. Litigation by our Company**

1. *Criminal Proceedings*

Nil

2. *Civil and other Material Litigations*

Nil

**2. LITIGATION INVOLVING OUR PROMOTERS**

*Cases filed against our Promoters*

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Promoters, specifying the number of cases pending and the total amount involved:

<i>(₹ in lacs)</i>		
Particulars	Number of cases	Amount involved*
<i>Indirect Tax</i>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<i>Direct Tax</i>		
Cases filed against our Promoters	2	0.01
Cases filed by our Promoters	Nil	Nil
<b>Total</b>	<b>2</b>	<b>0.01</b>

*\*To the extent quantifiable*

4. *Other Material Litigations*

Nil

***Cases filed by our Promoters***

***1. Criminal Proceedings***

Nil

***2. Other Material Litigations***

Nil

***Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals***

As on date of this Draft Red Herring Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoters in the last five Fiscals including any outstanding action.

**3. LITIGATION INVOLVING OUR DIRECTORS**

***Cases filed against our Directors***

***1. Criminal Proceedings***

Nil

***2. Actions taken by Statutory/Regulatory Authorities***

Nil

***3. Tax Proceedings***

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

<i>(₹ in lacs)</i>		
<b>Particulars</b>	<b>Number of cases</b>	<b>Amount involved*</b>
<b><i>Indirect Tax</i></b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b><i>Direct Tax</i></b>		
Cases filed against our Directors	2	0.01
Cases filed by our Directors	Nil	Nil
<b>Total</b>	<b>2</b>	<b>0.01</b>

*\*To the extent quantifiable*

***3. Disciplinary action by SEBI or any stock exchange in the last five Fiscal years***

Nil

***4. Other Material Litigations***

Nil

***Cases filed by our Directors***

***1. Criminal Proceedings***

Nil

2. *Other Material Litigations*

Nil

4. **LITIGATION INVOLVING OUR SUBSIDIARY**

As on date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

5. **LITIGATION INVOLVING OUR GROUP COMPANY**

*Cases filed against our Group Company*

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Group Company, specifying the number of cases pending and the total amount involved:

<i>(₹ in lacs)</i>		
<b>Particulars</b>	<b>Number of cases</b>	<b>Amount involved*</b>
<i>Indirect Tax</i>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<i>Direct Tax</i>		
Cases filed against our Group Company	Nil	Nil
Cases filed by our Group Company	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

*\*To the extent quantifiable*

4. *Disciplinary action by SEBI or any stock exchange in the last five Fiscal years*

Nil

5. *Other Material Litigations*

Nil

*Cases filed by our Group Company*

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

6. **OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

In terms of the Materiality Policy dated April 15, 2024, our Company has two (02) material creditors, as on date of this Draft Red Herring Prospectus.



As of January 31, 2024, outstanding dues to material creditors, micro, small and medium enterprises and other creditors were as follows:

(₹ in lacs)		
Particulars	No. of Creditors	Amount
Outstanding dues to material creditors	2	108.99
Outstanding dues to small scale undertakings	Nil	Nil
Outstanding dues to other creditors	23	21.41
<b>Total outstanding dues</b>	<b>25</b>	<b>130.40</b>

Complete details of outstanding dues to our creditors as on January 31, 2024 are available at the website of our Company, [www.tepltrade.com](http://www.tepltrade.com). Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, [www.tepltrade.com](http://www.tepltrade.com), would be doing so at their own risk. For further details, refer to the section titled "*Financial Information*" on page 174 of this Draft Red Herring Prospectus.

## 7. MATERIAL DEVELOPMENT SINCE JANUARY 31, 2024

There have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 222 of this Draft Red Herring Prospectus.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

*We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company has obtained the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. For details in connection with the regulatory and legal framework within which we operate, please refer the chapter “Key Industrial Regulations and Policies” on page 141 of this Draft Red Herring Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects of our Company enable our Company to carry out its respective activities.*

*The following statements set out the details of licenses, permissions and approvals taken by our Company under various central and state laws for carrying out the business:*

### ***I. Issue related Approvals***

For the approvals and authorizations obtained by our Company in relation to the Issue, see “*Other Regulatory and Statutory Disclosures – Authority for the Issue*” on page 246 of this Draft Red Herring Prospectus.

### ***II. Approvals from the Stock Exchanges***

- a) Our Company has received an in-principle approval from Emerge Platform of National Stock Exchange of India Limited dated [●] for listing of Equity Shares issued pursuant to the Issue.
- b) Our Company’s ISIN is INE0T3A01011.

### ***A. Licenses and Approvals required to be obtained by our Company***

#### ***I. General Approvals***

- a) Certificate of Incorporation dated December 28, 2017 issued under the Companies Act, 2013 by Registrar of Companies, Central Registration Centre.
- b) Fresh Certificate of Incorporation dated December 29, 2023 issued under the Companies Act, 2013 by Registrar of Companies, Maharashtra at Mumbai, consequent to change of its name to ‘*Tirshil Algommm Technologies Private Limited*’.
- c) Fresh Certificate of Incorporation dated January 10, 2024 issued under the Companies Act, 2013 by Registrar of Companies, Maharashtra at Mumbai, consequent to its conversion into a public limited company.
- d) Registration certificate issued under the Employees State Insurance Act, 1948 by the Employees’ State Insurance Corporation for allotting code number 31001258390000999 to our Company.
- e) Registration certificate issued under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 by the Employees Provident Fund Organisation for allotting code number KDMAL3156247000 to our Company.
- f) Certificate of Importer-Exporter Code issued on November 27, 2018 by the Office of the Additional Director General of Foreign Trade, Mumbai, Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India, for the purpose of allotting AAGCT5621D as the IEC code number to our Company.
- g) Certificate issued by LEI Register India Private Limited for allotting 9845005BC1B74E3J3B97 as the legal entity identification number to our Company, which is valid until November 7, 2024.
- h) Udyog Aadhaar registration certificate dated November 13, 2021 issued by the Ministry of Micro, Small & Medium Enterprises, Government of India for the purpose of allotting UDYAM-MH-19-0097415, as the Udyog Aadhaar number to our Company.

### ***II. Tax Related Approvals***

- a) Our Company's Permanent Account Number dated December 28, 2017 issued by the Income Tax Department is AAGCT5621D.
- b) Our Company's Tax Deduction and Collection Number dated December 29, 2017 issued by the Income Tax Department is MUMT22098G.
- c) The details of the GST registration obtained by our Company has been provided below:

S. No.	Registration Number	State
1.	27AAGCT5621D1ZI	Maharashtra
2.	24AAGCT5621D1ZO	Gujarat
3.	23AAGCT5621D1ZQ	Madhya Pradesh
4.	09AAGCT5621D1ZG	Uttar Pradesh
5.	08AAGCT5621D1ZI	Rajasthan
6.	36AAGCT5621D1ZJ	Telangana

- d) Certificate of Registration dated March 10, 2018 issued by the Maharashtra Sales Tax Department, under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 for the purpose of allotting profession tax registration number, 27811580845P, to our Company.
- e) Certificate of Enrolment dated April 1, 2017 issued by the Maharashtra Sales Tax Department, under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 for the purpose of allotting profession tax enrolment number, 99453195002P, to our Company.
- f) Certificate of Registration in Form I for employer issued by Government of Madhya Pradesh under the Madhya Pradesh Professional Tax Act, 1995 for the purpose of allotting registration number, 79549027088, to our Company.
- g) Certificate of Registration in Form 4 for persons issued by Government of Madhya Pradesh under the Madhya Pradesh Professional Tax Act, 1995 for the purpose of allotting registration number, 78409299221, to our Company.
- h) Certificate of Registration dated May 29, 2024 issued by the West Zone, Profession Tax Department, Amdavad Municipal Corporation under the Gujarat State Tax On Professions, Trade, Callings And Employments Act, 1976 for the purpose of allotting registration number, PRC010513002345, to our Company.
- i) Certificate of Enrolment dated May 29, 2024 issued by the West Zone, Profession Tax Department, Amdavad Municipal Corporation under the Gujarat State Tax On Professions, Trade, Callings And Employments Act, 1976 for the purpose of allotting enrolment number, PEC010513095679, to our Company.
- j) Certificate of Registration dated May 22, 2024 issued by Commercial Tax Department, Government of Telangana under Telangana Tax on Profession Trade, Calling and Employment Act, 1987 for the purpose of allotting registration number, PT36AAGCT5621D1ZJ, to our Company.
- k) Certificate of Enrolment dated May 22, 2024 issued by Commercial Tax Department, Government of Telangana under Telangana Tax on Profession Trade, Calling and Employment Act, 1987 for the purpose of allotting enrolment number, PT36AAGCT5621D1ZJ, to our Company.

### **III. Business Related Approvals**

As mentioned hereinabove, we require various approvals, licenses, registrations and permits to carry on our operations in India. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by our Company for conducting our operations is provided below.

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
1.	Certificate of registration issued under the	Chief Officer, Shops and Establishments	820342187 / RS Ward/COMMERCIAL II	May 21, 2024	Valid until cancelled

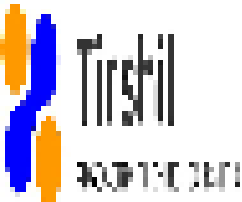

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
	Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017				
2.	Intimation receipt under Gujarat Shops and Establishment (Regulation of Employment and Conditions of Service) Act, 2019	Shops and Establishment Department, Amdavad Municipal Corporation	Receipt No. III/ LG/ 4000987/ 0007035/ (LAWGARDEN)	May 29, 2024	Valid until cancelled
3.	License to commence and carry on food business under the provisions of the Food Safety and Standards Act, 2006	Central Licensing Authority, Food Safety and Standards Authority of India, Government of India	11523998000635	May 2, 2024	May 9, 2025
4.	License for the issued purpose of wholesalers and middlemen under Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964	Agricultural Production Market Committee, Barabanki, Uttar Pradesh	L/2024/33/33236310	July 1, 2023	June 30, 2024
5.	Trader License for commercial transactions issued by Madhya Pradesh, Krushi Vipanan Board, Shujalpur, District Shajapur	Madhya Pradesh, Krushi Vipanan Board, Shujalpur, District Shajapur	Sr. No. 04	April 8, 2023	March 31, 2028
6.	State wide Single License for operating as Trader under Section 7 (1-A) of Telangana (Agricultural Produce & Livestock) Markets Act, 1966	Director of Agri Marketing, Government of Telangana, Hyderabad	No. LS-II/TR/TS/Nizamabad/302/2023-24	April 6, 2024	March 31, 2026
7.	Certificate of Trade License under the section 58 and 158 of Telangana Municipalities Act, 2019	Nizamabad Municipal Corporation, Municipal Administration Department, Government of Telangana	Trade Identification No. TS_DO_2024_1046/ 01078	May 20, 2024	March 31, 2025
8.	Registration cum membership certificate issued under the APEDA ACT, 1985	Agricultural and Processed Food Products Export Development Authority, Ministry of Commerce and Industry, Government of India	<b>Registration No.:</b> 211535	August 18, 2021	August 17, 2026
9.	Registration with Association of Mutual Funds in India.	Dy. Chief Executive, Association of Mutual Funds in India	ARN-262295	<b>Date of certificate:</b> February 2, 2023 <b>Effective Date:</b> January 19, 2023	January 18, 2026
10.	Permission for self-sealing for export of goods	Superintendent, Customs (Preventive) Raigad EP Circle, Office of the Assistant Commissioner of	SSP NO. 39/ RAIGAD EP/ 2022-23 F.No.V/Gen(30)28/Raigad EP/SSP/Tirshil/22-23/220	August 9, 2022	January 31, 2027

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
		Customs (Preventive), Raigad EP Circle, Alibag Division			

**IV. Quality Related Approvals**

Nil

**V. Intellectual Property Related Approvals**

Sr No.	Original Trademark Name	Application No.	Class	Current Status
1		6351584	35	Accepted & Advertised
2		6351585	42	Accepted & Advertised

**VI. Licenses/ Approvals for which applications have been made by our Company and are pending:**

1. Our Company has applied to various authorities for changing its name on its licenses and approvals post its (i) change of name and (ii) conversion from a private limited company into a public limited company and certain of such licenses are pending before the respective authorities for approval.
2. Our Company has applied for modification of Central License under FSSAI Act, 2006.
3. Our Company has made an application for registration under the Uttar Pradesh Shops and Commercial Establishment Act, 1962.
4. Our Company has made an application on Shram Sewa Portal for registration under the Madhya Pradesh Shops & Establishments Act, 1958.
5. Our Company has made an application for registration under the Shops and Commercial Establishments Act, 1958 in the state of Rajasthan.

**VII. Licenses / approvals which have expired and for which renewal applications have not been made by our Company.**

Nil

**VIII. Licenses / Approvals which are required but not yet applied for by our Company:**

Nil

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Board of Directors has, pursuant to a resolution passed at its meeting held on April 15, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on May 7, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated [●] from NSE for using its name in this Draft Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

### **PROHIBITION BY SECURITIES MARKET REGULATORS**

Our Company, our Promoters, our Directors and our Promoter's Group, person(s) in control of the promoters or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### **CONFIRMATIONS**

1. Our Company, our Promoters, Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

### **PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY**

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### **ELIGIBILITY FOR THE ISSUE**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, are Wilful Defaulters or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital shall be less than or equal to ₹ 1,000 lakhs can issue Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder:

**1. *The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 2013.

**2. *The post issue paid up capital of the company shall not be more than ₹ 25.00 Crore.***

The present paid-up capital of our Company is ₹ 285.50 lakhs and we are proposing issue upto 10,21,200 Equity Shares of face value of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] lakhs. Hence, our Post Issue Paid up Capital will be less than or equal to ₹

1,000 lakhs and more than ₹ 100.00 lakhs. So, the company has fulfilled the criteria of post issue paid up capital prescribed under Regulation 229(1) of the SEBI ICDR Regulations.

### 3. Track Record

#### A. *The company should have a track record of at least 3 years.*

Our Company was incorporated on December 28, 2017 as 'Tirshil Enterprises Private Limited', as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by the Board of Directors of our Company in their meeting held on November 21, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 12, 2023, the name of our Company was changed to 'Tirshil AlgoComm Technologies Private Limited' and a fresh certificate of incorporation dated December 29, 2023 was issued by the Registrar of Companies, Maharashtra at Mumbai. Further, pursuant to a resolution passed by the Board of Directors of our Company in their meeting held on November 21, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 12, 2023, our Company was converted into a public limited company and consequently the name of our Company was changed to 'Tirshil AlgoComm Technologies Limited' and a fresh certificate of incorporation dated January 10, 2024 was issued by the Registrar of Companies, Maharashtra at Mumbai.

#### B. *The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.*

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating profit (earnings before interest, depreciation and tax and other income) from operations	57.09	12.08	21.33
Net Worth as per Restated Financial Statement	96.38	62.51	54.25

### 4. Other Requirements

We confirm that:

- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

5. The Company has a website: [www.tepltrade.com](http://www.tepltrade.com)

6. Disclosures

We confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting company(ies), companies promoted by the Promoters/promoting companies of the Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, Fis by the Company, Promoters/promoting company(ies), companies promoted by the Promoters/promoting Company(ies) during the past three years.
- There are no litigations record against the applicant, Promoters/promoting company(ies), companies & promoted by the Promoters/promoting company(ies).
- There are no criminal cases/investigation/offences filed against the director of the Company.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

- In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please

refer to Section titled “**General Information**” beginning on page no. 59 of this Draft Red Herring Prospectus.

2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “**General Information**” beginning on page no. 59 of this Draft Red herring Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottees in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of the Red Herring Prospectus through the BRLM immediately upon registration of the Red Herring Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on the Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **SEBI DISCLAIMER CLAUSE**

**“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 THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED SHALL FURNISH TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 29, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MAHARASHTRA AT MUMBAI, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the filing with the RoC.



## **DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE BOOK RUNNING LEAD MANAGER**

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.tepltrade.com](http://www.tepltrade.com), or the websites of the members of our Promoter Group, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Fast Track Finsec Private Limited) and our Company on June 18, 2024, and the Underwriting Agreement dated [•] entered into between the Underwriters and our Company and the Market Making Agreement dated [•] entered into among the Market Maker, BRLM and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entity, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM 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 of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and 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 of our company.

## **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 authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the 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 Mumbai, Maharashtra 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.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and 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 Draft Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

## **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING OF DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Red Herring Prospectus/ Prospectus, will also be filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed. A copy of the Red Herring Prospectus, along with the material contracts, documents and the Prospectus will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

#### **LISTING**

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four 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 day after the company becomes liable to repay it the company 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.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within three Working Days from the Issue Closing Date.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

## **CONSENTS**

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Market Maker\*, Banker to the Issue\*, Syndicate Member\* and Underwriter\* to act in their respective capacities have been obtained.

*\*To be obtained at the RHP stage*

Above consents will be filed along with a copy of the Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, our Company has received written consent dated June 29, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as a Statutory Auditor and in respect of its (i) examination report dated May 27, 2024 on our restated financial information; and (ii) its report dated June 29, 2024 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## **EXPERT OPINION**

Except for the reports in the sections “*Statement of Special Tax Benefits*” and “*Financial Information*” on pages 103 and 174, respectively of this Draft Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor for inclusion of their name in this Draft Red Herring Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as “Expert”, defined in section 2(38) of the Companies Act and such consent has 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, 1933.

## **PREVIOUS PUBLIC OR RIGHTS ISSUE**

Our Company has not made public issue or rights issue under SEBI ICDR Regulations, in the past. For details of rights issues please refer chapter titled “*Capital Structure*” beginning on page no. 71 of this Draft Red Herring Prospectus.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

## **CAPITAL ISSUE DURING THE LAST THREE YEARS**

For details of the capital issued of our Company in past three years, please refer chapter titled “*Capital Structure*” beginning on page no. 71 of this Draft Red Herring Prospectus. Our Company does not have any subsidiary, listed group companies or associates, as of the date of this Draft Red Herring Prospectus.

## **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM**

### **SME:**

Price Information of past issues handled by the Book Running Lead Manager

### **Price Information of past issues handled by the Book Running Lead Manager**

Price Information of past issues handled by the Book Running Lead Manager

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
1.	Enser Communications Limited	16.17	70.00	March 22, 2024	70.10	(2.99)	1.08	Not Applicable	Not Applicable	Not Applicable	Not Applicable
2.	Sungarner Energies Limited	5.31	83.00	August 31, 2023	262.35	(17.66)	(0.95)	(27.57)	4.37	23.91	15.29
3.	Pearl Green Clubs and Resorts Limited	11.71	186.00	July 07, 2022	198.50	3.27	11.95	(0.50)	45.52	(2.92)	102.80
4.	Globesecure Technologies Limited	10.12	29.00	June 02, 2022	37.10	212.94	(5.35)	313.07	14.94	125.47	38.57
5.	Jeena Sikho Lifecare Limited	55.50	150.00	April 19, 2022	173.35	(12.69)	(2.42)	(18.16)	(7.09)	(15.17)	22.78
6.	SBL Infratech Limited	2.37	111.00	September 28, 2021	125.00	(55.20)	(0.53)	(64.8)	(3.77)	(47.72)	(3.48)
7.	Kranti Industries Limited	8.58	37.00	February 28, 2019	36.95	(1.22)	(8.38)	2.84	1.62	(12.04)	(3.16)
8.	Goblin India Limited	15.20	52.00	October 15, 2021	56.60	125.71	4.62	80.21	8.70	(27.20)	(20.29)
9.	Ascom Leasing and Investments Limited	6.32	30.00	December 06, 2019	30.00	5.00	(0.60)	0.00	(5.47)	15.83	(15.60)
10.	Trekkingtoes.Com Limited	4.54	105.00	August 28, 2020	99.75	(55.59)	(3.77)	(59.90)	12.14	(67.92)	28.67

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day*		
			Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %
2023-24	2	21.48	1	-	-	-	-	1	-	-	-	1	-	-
2022-23	3	77.32	-	-	1	1	-	1	-	-	2	1	-	-
2021-22	1	2.37	1	-	-	-	-	-	-	1	-	-	-	-
2020-21	1	4.54	1	-	-	-	-	-	1	-	-	-	-	-
2019-20	2	21.52	1	-	1	-	-	-	-	1	1	-	-	-
2018-19	1	8.58	-	-	-	-	-	1	-	-	-	1	-	-

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2024-25	Nil	Nil
2023-24	2	Nil

2022-23	3	Nil
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Notes:

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

2. Source: www.bseindia.com and www.nseindia.com

For details regarding the track record of the Book Running Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager as set forth in the table below:

Sr. No.	Name of the Book Running Lead Manager	Website
1	Fast Track Finsec Private Limited	www.ftfinsec.com

## PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 71 of this Draft Red Herring Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

## PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTER

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries. Further, we do not have a corporate promoter.

## STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, 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/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 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.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid 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 Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Red Herring Prospectus.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Ashokkumar Sankatha Prasad Shukla	Chairman	Independent Director
Deepak Kumar Balmiki Prasad Singh	Member	Independent Director
Pravinchandra Nagindas Vaidya	Member	Executive Director

Our Company has appointed Sagar Pankaj Shah, the Company Secretary and Compliance Officer, who may be contacted in case of any pre-issue or post-issue related problems at the following address:

F69, X<sup>th</sup> Central Shopping Centre,  
Mahavir Nagar, Kandivali West,  
Mumbai - 400 067,  
Maharashtra, India.  
**Telephone:** +91 998 702 3438  
**Facsimile:** N.A.  
**E-mail:** compliance@tepltrade.com

Till date of this Draft Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 71 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTER**

There are no listed ventures of our Company or of our Promoter as on date of filing of this Draft Red Herring Prospectus.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Red Herring Prospectus.

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

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

## **SECTION VIII – ISSUE INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being issued 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, 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 Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of upto 10,21,200 Equity Shares of face value of ₹ 10/- each, which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on April 15, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on May 7, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled “*Description of Equity Shares and terms of the Articles of Association*” beginning on Page No. 296 of the Draft Red Herring Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled “*Dividend Policy*” beginning on Page No. 173 of the Draft Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 98 of this Draft Red Herring Prospectus.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

### **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.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated February 1, 2024.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated January 25, 2024.

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 an issuer 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 National Stock Exchange of India 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 Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

### **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. personal (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 Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 71 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 chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 296 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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of 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.

### **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 Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders 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 (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM 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/Red Herring Prospectus with Stock Exchange.

## ISSUE PROGRAM

Events	Indicative Dates
Anchor open/close Date*	[●]
Bid/Issue Opening Date*	[●]
Bid/Issue 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 [●]

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

#In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timelines provided under the aforementioned circular.

Any circulars or notifications from the SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above- mentioned timelines. Further, the Offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.**

### Submission of Bids

#### Bid/Issue Period (except the Bid/Issue Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))

#### Bid/Issue Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

**On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

**Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### Migration to Main Board

Parameter	Migration policy from NSE SME Platform to NSE Main Board
Paid up Capital & Market Capitalisation	The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores** ** Explanation For this purpose capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares
Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT)	The applicant 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.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.
Other Listing conditions	<ul style="list-style-type: none"> <li>The applicant Company has not referred to the Board of Industrial &amp; Financial Reconstruction (BIFR) &amp;/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.</li> <li>The company has not received any winding up petition admitted by a NCLT.</li> <li>The net worth* of the company should be at least 50 crores</li> </ul> <p>*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p>
Public Shareholders	Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1,000.
The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:	<ul style="list-style-type: none"> <li>The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.</li> <li>Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.</li> <li>Redressal mechanism of Investor grievance</li> <li>PAN and DIN no. of Director(s) of the Company</li> <li>Change in Control of a Company/Utilization of funds raised from public</li> </ul>

### Market Making

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME 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 National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “**General Information**” beginning on page 59 of this Draft Red Herring Prospectus.

### Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of National Stock Exchange of India Limited.

### Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter “**Capital Structure**” beginning on page 71 of this Draft Red Herring Prospectus and except as provided in the

Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. 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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and 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 foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

## **ISSUE STRUCTURE**

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital will be upto ₹ [●] lakhs, shall issue equity shares 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 National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “**Terms of Issue**” and “**Issue Procedure**” on page no. 255 and 266 respectively of this Draft Red Herring Prospectus.

This public issue comprises of upto 10,21,200 equity shares of face value of ₹10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “**Issue Price**”) aggregating up to ₹ [●] lakhs (“the issue”) by our Company. The Issue and the Net Issue will constitute [●]% and [●]% respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process<sup>(1)</sup>:

<b>Particulars of the Issue (2)</b>	<b>Market Maker Reservation Portion</b>	<b>QIBs</b>	<b>Non-Institutional Applicants</b>	<b>Retail Individual Investors</b>
Number of Equity Shares available for allocation	Up to [●] Equity Shares of face value of ₹ 10 each	Not more than [●] Equity Shares of face value of ₹ 10 each	Not less than [●] Equity Shares of face value of ₹ 10 each	Not less than [●] Equity Shares of face value of ₹ 10 each
Percentage of Issue size available for allocation	[●]% of the issue size	<p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p> <p>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.</p>	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment(3)	Firm Allotment	<p>Proportionate as follows:</p> <p>Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above</p>	Proportionate	Proportionate

<b>Particulars of the Issue<sup>(2)</sup></b>	<b>Market Maker Reservation Portion</b>	<b>QIBs</b>	<b>Non-Institutional Applicants</b>	<b>Retail Individual Investors</b>
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares of face value of ₹ 10 each in multiple of [●] Equityshares	Such number of Equity Shares and in multiples of [●] Equity Shares of face value of ₹ 10 each that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each that Bid size exceeds ₹ 200,000	[●] Equity Shares of face value of ₹ 10 each in multiple of [●] Equity Shares of face value of ₹ 10 each so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares of face value of ₹ 10 each	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each 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 of face value of ₹ 10 each so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares of face value of ₹ 10 each, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares of face value of ₹ 10 each and in multiples thereof	[●] Equity Shares of face value of ₹ 10 each and in multiples thereof	[●] Equity Shares of face value of ₹ 10 each
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.			
Mode of Bid	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000)	Only through the ASBA process (including the UPI Mechanism)

- (1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination

of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

- (4) Our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. 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 Price.
- (5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled “*Issue Procedure*” beginning on page 266 of the Draft Red Herring Prospectus

## Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.

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 Red Herring Prospectus with RoC.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Mumbai, Maharashtra.

## BID/ ISSUE PROGRAMME:

Events	Indicative Dates
<b>Anchor Open/Close Date*</b>	[●]
<b>Bid/Issue Opening Date*</b>	[●]
<b>Bid/Issue Closing Date**^</b>	[●]
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before [●]
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before [●]
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before [●]

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

#In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall



*be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

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).

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.

## **ISSUE PROCEDURE**

All Bidders 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 Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 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.

Additionally, all Bidders 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 Bidders; (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.

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, had introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for 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.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”) and this phase was to continue till March 31, 2020 and post which reduced timeline from T+6 days to T+3 days was to be made effective using the UPI Mechanism for applications by RIBs. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective 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 (“T+3 SEBI Circular”). The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force 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 the provisions of this circular, are deemed to form part of this Draft Red Herring Prospectus. SEBI, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application size are up to ₹5 lakhs shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus.

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.*

#### **BOOK BUILDING PROCEDURE:**

This 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, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. 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, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

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 spill-over 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 the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.**

#### **AVAILABILITY OF RED HERRING PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the 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 SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified application Form for the purpose of making an Application in terms of this 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 has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto 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 Bidder, 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 has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure

to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

- c) Phase III/T+3: 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 T+3 Press Release. 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 Press Release as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

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 not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

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 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 website of National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

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.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

**Note:** Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

**Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.**

**Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).**

**Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.**

**The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.**

**An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)**

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.
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**Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

#### **WHO CAN BID?**

**Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.**

**Subject to the above, an illustrative list of Bidders is as follows:**

- Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than EligibleNRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;

- 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 ₹ 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 ₹ 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 Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares of face value of ₹ 10 each and in multiples [●] Equity Shares of face value of ₹ 10 each thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin



upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## **METHOD OF BIDDING PROCESS**

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) 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.
- e) 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.
- f) 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.
- g) 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.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until



withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. 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.
- d. 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.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

**The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Draft 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 Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.

5. Bidders who are interested in subscribing for the 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 Applicants 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 Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
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 transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
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.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through

the UPI Mechanism) 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 (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) 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. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see **“Restrictions on Foreign Ownership of Indian Securities”** beginning on page 294. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

#### **BIDS BY FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **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 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which finalize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI

FPI Regulations (“Operational FPI Guidelines”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that 276finaliz the multi- investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “MIM Structure”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFS and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) 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.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFS, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank’s own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non- financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company’s interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company’s paid up share capital engaged in non-financial services. However, this cap doesn’t apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in

financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see **“Key Regulations and Policies”** beginning on page 141.

#### **BIDS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 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 SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) 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
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a 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.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

## **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid 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 Bid cum 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 upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 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) 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.

11) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

12) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 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 along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA 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**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of: a. In case of resident Anchor Investors: — “[●] - Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “[●] - Anchor Account- NR”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

#### **Electronic Registration of Applications**

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 be 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 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. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
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 Draft 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 Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

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/ Issue 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 centers during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- 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 Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- 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.

**Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue, it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.**

<b>Bid Quantity</b>	<b>Bid Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%

2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

**The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.**

***Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.***

## **GENERAL INSTRUCTIONS**

### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who,

in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the 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;

15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. 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 284inalized blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. 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 Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

**Don’ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.
6. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum ApplicationForms in a colour prescribed for another category of a Bidder;
7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
14. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a RIB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulationsor maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount)at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPIID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled **“General Information”** and **“Our Management”** beginning on pages 59 and 153, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021,

please see the section entitled “**General Information**” beginning on page 59.

## **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. 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;
5. 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);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. 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;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “**General Information**” beginning on page 59.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master 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/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular. 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.

Names of entities responsible for finalized the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.**

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares of face value of ₹ 10 each at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares of face value of ₹ 10 each at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each 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 Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares of face value of ₹ 10 each at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares of face value of ₹ 10 each at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter. For the method of proportionate Basis of Allotment refer below.

**c. Allotment To Anchor Investor (If Applicable)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
    - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

**d. 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 may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - 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.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - 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;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
  - In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter for [●]% of the QIB Portion.
  - 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 of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter, along with other QIB Bidders.
  - 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 of face value of ₹ 10 each.

**iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the National Stock Exchange of India Limited Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).



- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] Equity Shares of face value of ₹ 10 each the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] Equity Shares of face value of ₹ 10 each ; 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.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] Equity Shares of face value of ₹ 10 each, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] Equity Shares of face value of ₹ 10 each subject to a minimum allotment of [●] Equity Shares of face value of ₹ 10 each.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares of face value of ₹ 10 each, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

**Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.**

**The Executive Director / Managing Director of National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) 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 Issue Closing date. The Issuer also ensures that 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.**

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com)

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3(three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

**SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.**

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] Equity Shares of face value of ₹ 10 each the allotment will be made as follows:
  - i. Each successful applicant shall be allotted [●] Equity Shares of face value of ₹ 10 each; and
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity Shares of face value of ₹ 10 each, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] Equity Shares of face value of ₹ 10 each subject to a minimum allotment of [●] Equity Shares of face value of ₹ 10 each.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated February 1, 2024.
- b) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated January 25, 2024.
- c) The Company's Equity shares bear an ISIN No. INE0T3A01011.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: ([●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a Marathi language newspaper with wide circulation, Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation).

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

## **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or before the filing of Red Herring Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

## **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*"Any person who:*

- I. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- II. 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*
- III. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less

than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ 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 days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**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. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, , FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, , 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India)

Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap. Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

***i. Investment by FPIs under Portfolio Investment Scheme (PIS):***

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

***ii. Investment by NRI or OCI on repatriation basis:***

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference 373 shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

***iii. Investment by NRI or OCI on non-repatriation basis:***

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

## **SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

We confirm that there are no material clauses of Article of Association that have been left out from disclosure having bearing on the Issue.

II. SHARE CAPITAL AND VARIATION OF RIGHTS		
(1)		Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time-to-time think fit.
(2)	(i)	Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:
		(a) one certificate for all his shares without payment of any charges; or
		(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
	(ii)	Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
	(iii)	In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders
(3)	(i)	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
	(ii)	The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
(4)		Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
(5)	(i)	The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
	(ii)	The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
	(iii)	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
(6)	(i)	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.



		(ii)	To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
	(7)		The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
	(8)		Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.
<b>III. LIEN</b>			
	(9)	(i)	The company shall have a first and paramount lien- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
		(ii)	The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
	(10)		The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made- (a) unless a sum in respect of which the lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
	(11)	(i)	To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
		(ii)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.
		(iii)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
	(12)	(i)	The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
		(ii)	The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
<b>IV. CALLS ON SHARES</b>			
	(13)	(i)	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

		(ii)	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
		(iii)	A call may be revoked or postponed at the discretion of the Board
	(14)		A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
	(15)		The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
	(16)	(i)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
		(ii)	The Board shall be at liberty to waive payment of any such interest wholly or in part.
	(17)	(i)	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
		(ii)	In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
	(18)		The Board-
		(i)	may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
		(ii)	upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
<b>V. TRANSFER OF SHARES</b>			
	(19)	(i)	The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
		(ii)	The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
	(20)		The Board may, subject to the right of appeal conferred by section 58 decline to register-
		(a)	the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
		(b)	any transfer of shares on which the company has a lien.
	(21)		The Board may decline to recognise any instrument of transfer unless
		(a)	the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
		(b)	the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
		(c)	the instrument of transfer is in respect of only one class of shares.
	(22)		On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
			Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

VI.	<b>TRANSMISSION OF SHARES</b>	
(23)	(i)	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
	(ii)	Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
(24)	(i)	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either- (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.
	(ii)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
(25)	(i)	If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
	(ii)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
	(iii)	All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
(26)	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:  Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	
VII.	<b>FORFEITURE OF SHARES</b>	
(27)	If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.	
(28)	The notice aforesaid shall-	
	(a)	name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
	(b)	state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
(29)	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	
(30)	(i)	A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

		(ii)	At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
	(31)	(i)	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
		(ii)	The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
	(32)	(i)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
		(ii)	The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
		(iii)	The transferee shall thereupon be registered as the holder of the share; and
		(iv)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
	(33)		The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
<b>VIII. ALTERATION OF CAPITAL</b>			
	(34)		The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
	(35)		Subject to the provisions of section 61, the company may, by ordinary resolution:-
		(a)	consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
		(b)	convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of an denomination;
		(c)	sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
		(d)	cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
	(36)		Where shares are converted into stock:
		(a)	the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
		(b)	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
		(c)	such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

	(37)	The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law
	(a)	its share capital;
	(b)	any capital redemption reserve account; or
	(c)	any share premium account.
<b>IX. CAPITALISATION OF PROFITS</b>		
IX.	(38)	(i) The company in general meeting may, upon the recommendation of the Board, resolve-
		(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
		(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
	(ii)	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
		A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
		B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
		C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
		D. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
		E. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
	(39)	(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
		(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
		(b) generally, do all acts and things required to give effect thereto.
	(ii)	The Board shall have power-
		(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
		(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
	(iii)	Any agreement made under such authority shall be effective and binding on such members.
<b>X. BUY-BACK OF SHARES</b>		
	(40)	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

XI.	<b>GENERAL MEETINGS OF THE BOARD</b>	
(41)	All general meetings other than annual general meeting shall be called extraordinary general meeting.	
(42)	(i)	The Board may, whenever it thinks fit, call an extraordinary general meeting.
	(ii)	If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
XII.	<b>PROCEEDINGS AT GENERAL MEETINGS</b>	
(43)	(i)	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business
	(ii)	Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
(44)	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.	
(45)	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	
(46)	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	
XIII.	<b>ADJOURNMENT OF MEETING</b>	
(47)	(i)	The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
	(ii)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
	(iii)	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
	(iv)	Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
XIV.	<b>VOTING RIGHTS</b>	
(48)	Subject to any rights or restrictions for the time being attached to any class or classes of shares:	
	(a)	on a show of hands, every member present in person shall have one vote; and
	(b)	on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
(49)	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	
(50)	(i)	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
	(ii)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

	(51)	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	
	(52)	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	
	(53)	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid	
	(54)	(i)	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
		(ii)	Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
XV.	PROXY		
	(55)	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	
	(56)	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
	(57)	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:	
		Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used	
XVI.	BOARD OF DIRECTORS		
	(58)	The names of the first directors are as follows:	
		1.	Rupesh Pravinchandra Dalal
		2.	Pravinchandra Nagindas Vaidya
	(59)	(i)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day
		(ii)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them
			(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
			(b) in connection with the business of the company
	(60)	The Board may pay all the expenses incurred in getting up and registering the company.	
	(61)	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.	
	(62)	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	

	(63)	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
	(64)	(i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
		(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
<b>XVII. PROCEEDINGS OF THE BOARD</b>		
	(65)	(i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
		(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
	(66)	(i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
		(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
	(67)	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
	(68)	(i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
		(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
	(69)	(i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
		(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
	(70)	(i) A committee may elect a Chairperson of its meetings.
		(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
	(71)	(i) A committee may meet and adjourn as it thinks fit.
		(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
	(72)	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
	(73)	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
<b>XVIII. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>		



	(74)	Subject to the provisions of the Act, -	
		(i)	A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
	(ii)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	
	(75)	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	
XIX.	THE SEAL		
	(76)	(i)	The Board shall provide for the safe custody of the seal.
	(ii)	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	
XX.	DIVIDENDS AND RESERVES		
	(77)	The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	
	(78)	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	
	(79)	(i)	The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.
	(ii)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	
	(80)	(i)	Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
(ii)		No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.	
	(iii)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	
	(81)	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.	
	(82)	(i)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

		(ii)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
	(83)		Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
	(84)		Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
	(85)		No dividend shall bear interest against the company.
	(86)		No unclaimed or unpaid dividend shall be forfeited by the Board and dividends unclaimed or unpaid will be dealt with as per the provisions of Section 123 and 124 or other provisions if any of the Act as may be applicable from time to time.
XXI.	<b>ACCOUNTS</b>		
	(87)	(i)	The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
		(ii)	No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.
XXII.	<b>WINDING UP</b>		
	(88)		Subject to the provisions of Chapter XX of the Act and rules made thereunder-
		(i)	If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
		(ii)	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
		(iii)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability
XXIII.	<b>INDEMNITY</b>		
	(89)		Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## **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 Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company and on our website at [www.tepltrade.com](http://www.tepltrade.com), from date of filing of Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

#### **1. Material Contracts for the Issue**

- (i). Issue Agreement dated June 18, 2024 entered into between our Company and the Book Running Lead Manager.
- (ii). Registrar Agreement dated June 18, 2024 entered into amongst our Company and the Registrar to the Issue.
- (iii). Tripartite Agreement dated February 1, 2024 between our Company, NSDL and the Registrar to the Issue.
- (iv). Tripartite Agreement dated January 25, 2024 between our Company, CDSL and the Registrar to the Issue.
- (v). Syndicate Agreement dated [●] executed between our Company, Book Running Lead Manager and Syndicate Member.
- (vi). Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vii). Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
- (viii). Underwriting Agreement dated [●] amongst our Company and the Underwriters.

#### **2. Material Documents**

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated December 28, 2017 under the Companies Act, 2013 issued by Registrar of Companies, Central Registration Centre.
- (iii) Certificate of incorporation dated December 29, 2023 issued by the Registrar of Companies, Maharashtra at Mumbai, consequent to change of its name to '*Tirshil AlgoComm Technologies Private Limited*'.
- (iv) Certificate of incorporation dated January 10, 2024 issued by the Registrar of Companies, Maharashtra at Mumbai, pursuant to conversion of our Company into a public limited company.
- (v) The resolution passed by the Board of Directors at its meeting held on April 15, 2024 and the resolution passed by the Shareholders of the Company in EGM held on May 7, 2024, authorizing the Issue.
- (vi) Resolution of the Board of Directors of the Company dated June 29, 2024, taking on record and approving this Draft Red Herring Prospectus.
- (vii) The examination reports dated May 27, 2024 issued by the Statutory Auditor, on our Company's Restated Financial Statements, included in this Draft Red Herring Prospectus.
- (viii) Copies of the Audited Financial Statements of our Company for the Fiscals 2023 and 2022 and 2021.
- (ix) Consent of the Promoters, Directors, the Book Running lead Manager, Legal Counsel, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Bankers to the Issue\*, Market Maker\* and Syndicate Member\* as referred to in their specific capacities.  
*\*To be obtained at the RHP stage*
- (x) Consent letter dated June 29, 2024 of the Statutory Auditor to include their names as experts in relation to their report dated May 27, 2024 on the Restated Financial Information and the Statement of Tax Benefits dated June 29, 2024 included in this Draft Red Herring Prospectus.
- (xi) In principle listing approval dated [●] issued by National Stock Exchange of India Limited.
- (xii) Due Diligence Certificate dated June 29, 2024, issued by the BRLM.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Sd/-

**Rupesh Pravinchandra Dalal**  
Managing Director

**Place:** Mumbai

**Date:** June 29, 2024

### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

---

Sd/-

\_\_\_\_\_  
**Pravinchandra Nagindas Vaidya**  
Executive Director

**Place:** Mumbai

**Date:** June 29, 2024

### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Sd/-

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**Nikita Rupesh Dalal**  
Non-Executive Director

**Place:** Mumbai

**Date:** June 29, 2024

### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Sd/-

\_\_\_\_\_  
**Ashokkumar Sankatha Prasad Shukla**  
Independent Director

**Place:** Mumbai

**Date:** June 29, 2024



### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

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**Deepak Kumar Balmiki Prasad Singh**  
Independent Director

**Place:** Mumbai

**Date:** June 29, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

**Sd/-**

\_\_\_\_\_  
**Vishal Pravinchandra Dalal**  
Chief Financial Officer

**Place:** Mumbai

**Date:** June 29, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY**

**Sd/-**

\_\_\_\_\_  
**Sagar Pankaj Shah**

Company Secretary and Compliance Officer

**Place:** Mumbai

**Date:** June 29, 2024