



Draft Prospectus
Dated: February 24, 2022
Please read section 26 and 32 of the Companies Act, 2013
Fixed Price Issue



BHATIA COLOUR CHEM LIMITED
CIN: U24290GJ2021PLC127878

Register Office:		Contact Person:	
Plot No. A/2/12, Road No. 1 Udhna Udhhyog Nagar, Sangh, Udhna, Surat – 394210, Gujarat.		Ms. Hiral Shah, Company Secretary and Compliance Officer	
EMAIL	TELEPHONE NO.:	WEBSITE:	
account@bccindia.com	Tel No.: 0261-2270489, (M): +91 91042 94564	www.bcccl.info	
OUR PROMOTERS OF THE COMPANY			
Mr. Bharat Bhatia, Mr. Ramesh Bhatia and Mr. Ravi Bhatia			
Type	Fresh Issue Size (In Lakhs)	Eligibility 229(1) / 229(2) & Share Reservation among NII & RII	
Fresh Issue	Rs. 4,000.00 Lakhs	The Issue is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations. As the Company's post issue paid up capital is more than ₹ 10.00 Cr. and upto ₹ 25.00 Cr	
RISK IN RELATION TO THE FIRST ISSUE			
This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹ 10.00/- per equity shares and the issue price is 8.00 times of the face value. The issue price (is determined by our company in consultation with the lead manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page no. 56 of this Draft Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active and/or sustained trading in the equity shares of our company 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no. 18 of this Draft Prospectus.			
COMPANY'S ABSOLUTE RESPONSIBILITY			
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.			
LISTING			
The Equity Shares offered through the Draft Prospectus are proposed to be listed on the SME Exchange of BSE Limited ("BSE SME"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In Principal Approval Letter dated [●] from BSE Limited (BSE) for using its name in this offer document for listing of our shares on the SME Exchange of BSE Limited. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited ("BSE").			
LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE	
	INTERACTIVE FINANCIAL SERVICES LIMITED Address: A-1006, Premium House, Behind Handloom House, Ashram Road, Ahmedabad – 380009, Gujarat, India Tel No.: +079-2658-1240 Web Site : www.ifinservices.com Email : mbd@ifinservices.com Investor Grievance Email: info@ifinservices.com Contact Person: Ms. Jaini Jain SEBI Reg No : INM000012856		BIGSHARE SERVICES PRIVATE LIMITED Address: 1st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059 Tel No.: +91 22-62638200 Fax No +91 22-62638280 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Mr. Swapnil Kate SEBI Reg. No.: INR000001385
ISSUE PROGRAMME			
ISSUE OPENS ON: [●]		ISSUE CLOSES ON: [●]	



BHATIA COLOUR CHEM LIMITED

Our Company was originally incorporated as “Bhatia Colour Chem Limited” under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated December 10, 2021 bearing Corporate Identification Number U24290GJ2021PLC127878 issued by the Registrar of Companies, Central Registration Center. For further details, please refer to chapter titled “Our History and Certain other Corporate Matters “beginning on page no. 72 of this Draft Prospectus.

Registered office: Plot No. Plot No. A/2/12, Road No. 1 Udhna Udhog Nagar, Sangh, Udhna, Surat – 394210, Gujarat.

Tel No.: 0261-2270489, (M): +91 91042 94564; **Website:** www.bccl.info

Company Secretary and Compliance Officer: Ms. Hiral Shah; **E-Mail:** account@bccindia.com

PROMOTER OF THE COMPANY: Mr. Bharat Bhatia, Mr. Ramesh Bhatia and Mr. Ravi Bhatia

THE ISSUE

PUBLIC ISSUE OF 50,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF Bhatia Colour Chem Limited (“BCCL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹80 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹70 PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹4000.00 LACS (“THE ISSUE”), OF WHICH 2,64,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH WILL FOR CASH AT A PRICE OF ₹80 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹70 PER EQUITY SHARE AGGREGATING TO ₹211.20 LACS 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 47,36,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AT A PRICE OF ₹80 PER EQUITY SHARE AGGREGATING TO ₹3788. LACS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 40.87% AND 38.71% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE NO. 128 OF THIS DRAFT PROSPECTUS.

THIS ISSUE IS BEING IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED FROM TIME TO TIME.

For further details see “Terms of the Issue” beginning on page no.128 of this Draft Prospectus.

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled “Issue Procedure” beginning on page no. 137 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15 % per annum for the period of delay.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 8 TIMES OF THE FACE VALUE.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10 per Equity Shares and the Issue price is 8 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on “Basis for Issue Price” beginning on page no. 49 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no.13 of this Draft Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

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

LEAD MANAGER



INTERACTIVE FINANCIAL SERVICES LIMITED
Address:A-1006, Premium House, Behind Handloom House, Ashram Road, Ahmedabad – 380009, Gujarat, India
Tel No.:+079-2658-1240
Web Site : www. ifinservices.com
Email : mbd@ifinservices.com
Investor Grievance Email: info@ifinservices.com
Contact Person: Ms. Jaini Jain
SEBI Reg No :INM000012856

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED
Address: 1st Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059
Tel No.:+91 22-62638200
Fax No +91 22-62638280
Website: www.bigshareonline.com
E-Mail: ipo@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Contact Person: Mr. Swapnil Kate
SEBI Reg. No.: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON:[●]

Contents	Page No.
Cover Page	
Section I – General	
Definitions and Abbreviations	1
General Terms	1
Company Related Terms	1
Issue Related Terms	2
Technical And Industry Related Terms	3
Conventional and General Terms / Abbreviations	3
Forward Looking Statements	7
Presentation of Financial, Industry and Market Data	8
Summary of Issue Documents	9
Section II – Risk Factors	13
Section III – Introduction	
The Issue	20
Summary of Financial Information	21
General Information	24
Capital Structure	33
Section IV – Particulars of the Issue	
Objects of the Issue	43
Basis For Issue Price	49
Statement of Tax Benefits	51
Section V – About Company	
Industry Overview	54
Business Overview	60
Key Industry Regulations and Policies	66
History and Certain Corporate Matters	72
Our Management	75
Our Promoters and Promoter Group	86
Dividend Policy	89
Section VI – Financial Information	
Auditors Report and Financial Information Of Our Company	90
Management’s Discussion and Analysis of Financial Condition and Results of Operations	110
Other Financial Information	108
Section VII – Legal and Other Regulatory Information	
Outstanding Litigation and Material Developments	113
Government and Other Statutory Approvals	117
Financial Information of Our Group Companies	119
Other Regulatory and Statutory Disclosures	120
Section VIII – Issue Related Information	
Terms of The Issue	128
Issue Structure	135
Issue Procedure	137
Restrictions on Foreign Ownership of Indian Securities	164
Section IX – Description of Equity Shares and Terms of the Articles of Association	
Main Provisions of Articles of Association	167
Section X – Other Information	
Material Contracts and Documents for Inspection	178
Section XI – Declaration	180

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies 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 Prospectus, but not defined herein shall have the meaning ascribed to such terms under SEBI ICDR Regulations, 2018 the Companies Act, 2013 the SCRA, the Depositories Act, 1996 and the rules and regulations made there under.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “Statement of Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigation and Material Developments” and section titled “Main Provisions of Articles of Association” beginning on page nos. 51, 90, 113 and 167, respectively, shall have the meanings ascribed to such terms in the respective sections.

GENERAL TERMS

Term	Description
“BCCL”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Bhatia Colour Chem Limited, a public limited company incorporated under the Companies Act, 2013 and having Registered Office at Plot No. A/2/12, Road No. 1 Udhna Udhhyog Nagar, Sangh, Udhna, Surat – 394210, Gujarat.
Promoters	Bharat Bhatia, Rameshchand Bhatia and Ravi Bhatia
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (pp) of the SEBI ICDR Regulations, 2018.

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company as amended from time to time
Auditors and Peer Review Auditors	The Statutory auditors of our Company, being M/s. DSI & Co.
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof
Act or Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
CIN	Corporate Identification Number
CMD	Chairman and Managing Director
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Bhatia Colour Chem Limited unless otherwise specified
Equity Shares	Equity Shares of our Company having Face Value of ₹ 10 each unless otherwise specified in the context thereof
ED	Executive Director
Indian GAAP	Generally Accepted Accounting Principles in India
IT	Information Technology
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 “Our Management” on page no. 75 of this Draft Prospectus
MD	Managing Director
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time

Registered Office	The Registered office of our Company, located at Plot No. A/2/12, Road No. 1 Udhna Udhyog Nagar, Sangh, Udhna, Surat – 394210, Gujarat.
ROC / Registrar of Companies	Registrar of Companies, Ahmedabad.
PLC	Public Limited Company
PTC	Private Limited Company
WTD	Whole Time Director

ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Draft Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
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.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section “Issue Procedure - Basis of allotment” on page no.161 of this Draft Prospectus
Bankers to our Company	HDFC Bank Limited
Bankers to the Issue	ICICI Bank Limited
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons’ bank accounts using a payment address which uniquely identifies a person’s bank a/c.
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 Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Issue Opening Date	The date on which the Issue opens for subscription
Issue Closing date	The date on which the Issue closes for subscription.
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 application.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 50,00,000 Equity Shares of Face Value of ₹ 10 each at ₹80 (including premium of ₹ 70) per Equity Share aggregating to ₹4000.00 Lacs by Bhatia Colour Chem Limited.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹80
LM / Lead Manager	Lead Manager to the Issue, in this case being Interactive Financial Services Limited

Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
NBFC	Non- Banking Financial Companies
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 47,36,000 Equity Shares of ₹ 10 each at ₹ 80 per Equity Share aggregating to ₹3788.80 Lacs by Bhatia Colour Chem Limited.
Prospectus	The Prospectus issued in accordance with Section 32 of the Companies Act filed with the BSE under SEBI (ICDR) Regulations 2018.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Qualified Institutional Buyers / QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of SEBI ICDR Regulations
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs 2,00,000.
R & D	Research and Development
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html Intermediaries.
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Underwriters	Underwriters to the issue is Interactive Financial Services Limited and NNM Securities Private Limited.
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated February 21, 2022
Working Days	All days on which commercial banks in Surat are open for business; provided however, with reference to Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Surat are open for business; the time period between the Issue Closing Date and the listing of the Equity Shares on the BSE SME, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
PMI	Purchasing Manager Index
PLI	Production linked Incentive
EME	Emerging Market Economics
MT	Metric Ton

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
------	-------------

A/c	Account
AGM	Annual General Meeting
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year
Bn	Billion
BG	Bank Guarantee
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Depositories	NSDL and CDSL
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time
DCA	Department of corporate affairs
DIN	Director's Identification Number
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's Identification Number
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
FDI	Foreign Direct Investment
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/Government/GOI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
Ltd.	Limited
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India

	(Merchant Bankers) Regulations, 1992 as amended.
MOF	Minister of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NIFTY	National Stock Exchange Sensitive Index
NOC	No Objection Certificate
NR/ Non Residents	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Security Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations /ICDR Regulations/SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
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 of India

Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.

FORWARD LOOKING STATEMENTS

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

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

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- ❖ General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- ❖ Competition from existing and new entities may adversely affect our revenues and profitability;
- ❖ Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- ❖ Our business and financial performance is particularly based on market demand and supply of our products;
- ❖ The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- ❖ Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- ❖ Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- ❖ The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages nos. 13, 60 and 110 of this Draft Prospectus, respectively. 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.

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the LM, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Draft Prospectus are the Republic of India.

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

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our audited financial statements for the period ended February 18, 2022 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in this Draft Prospectus, and set out in the section titled ‘Financial Information’ beginning on page no. 90 of this Draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In this Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled ‘Risk Factors’, ‘Business Overview’ and ‘Management's Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page nos. 13, 60 and 110 respectively of this Draft Prospectus and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

Industry and Market Data

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

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

Currency and units of presentation

In this Draft Prospectus, unless the context otherwise requires, all references to;

- ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India.
- ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America, EURO or “€” are Euro currency,

All references to the word ‘Lakh’ or ‘Lac’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lacs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

SUMMARY OF ISSUE DOCUMENT

SUMMARY OF BUSINESS

Currently Company is in trading & manufacturing of Chemicals, Dyes and Auxiliaries products. We produce finished Textile Auxiliaries & Chemicals by mixing basic Textile Auxiliaries & Chemicals with our standardised formulation of chemicals with the help of stirrers. We produce Foil Binders, Printing Inks and Zari Binders in our Company with the variety of ranges and specialisation as per the demand of the client. Our main strength of the products are our formulation of chemicals and quality maintenance. We being trader of Dyes and Auxiliaries products, supply's our products to mainly the processing house of the textile industries for the printing of the textile. Our products are mainly useful for the printing on Textile materials like Polyester & Cotton which includes, ambos on T shirts, Zari Prints and shading.

For more details please refer chapter titled "*Business Overview*" on page 60 of this Draft Prospectus.

SUMMARY OF INDUSTRY

India's chemicals industry is de-licensed, except for few hazardous chemicals. In the Indian chemical industry, alkali chemicals have the largest share with ~69% in the total production; production of polymers accounts for ~59% of the total production of basic key petrochemicals in 2019. The chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025.

Indian manufacturers have recorded a CAGR of 11% in revenue between FY15 and FY21, increasing India's share in the global specialty chemicals market to 4% from 3%, according to the Crisil report. A revival in domestic demand and robust exports will spur a 50% YoY increase in the capex of specialty chemicals manufacturers in FY22 to ₹ 6,000-6,200 crore (US\$ 815-842 million). Revenue growth is likely to be 19-20% YoY in FY22, up from 9-10% in FY21, driven by recovery in domestic demand and higher realisations owing to rising crude oil prices and better exports.

For more details please refer chapter titled "*Industry Overview*" on page 54 of this Draft Prospectus.

PROMOTERS

The Promoters of our Company are as follows:

1. Mr. Bharat Bhatia,
2. Mr. Ramesh Bhatia and
3. Mr. Ravi Bhatia

ISSUE SIZE

Initial Public Issue of 50,00,000 Equity Shares of Face Value of ₹10.00/- Each for Cash at a Price of ₹ 80.00/- Per Equity Share Including a Share Premium of ₹ 70.00/- per Equity Share (The "Issue Price") aggregating to ₹ 4000.00 lakhs ("The Issue"), of which 2,64,000 Equity Shares of face value of ₹10.00/- each will for cash at a price of ₹ 80.00/- Per Equity Share including a share premium of ₹ 70.00/- per equity share aggregating to ₹ 211.20 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 47,36,000 Equity Shares of face value of ₹10.00/- each at a price of ₹80.00/-Per Equity Share aggregating to ₹3788.80 lakhs is herein after referred to as the "Net Issue".

For further details, please refer to section titled "Terms of the Issue" beginning on page no. 128 of this Draft Prospectus.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects ("*Objects of the Issue*"):

Net Proceeds

The details of the proceeds of the issue are summarized in the table below:

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Gross proceeds from the issue	4000.00
2.	Less: Issue related expenses	40.00
Net proceeds of the issue		3960.00

Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Acquire partnership firm M/s Polychem Exports	2100.00
2.	Working Capital	890.00
3.	General Corporate Purposes	970.00
Total utilization of net proceeds		3960.00

PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Sr. No.	Name of share holder	Pre-issue	
		No of equity shares	As a % of Issued Capital
(i) Promoter			
1	Bharat Bhatia	1,320,000	18.25
2	Rameshchand Bhatia	1,320,000	18.25
3	Ravi Bhatia	3,60,000	4.99
	TOTAL (A)	30,00,000	41.49
(ii) Promoter Group			
4	Sonal Bhatia	6,00,000	8.29
5	Madhu Bhatia	6,00,000	8.29
6	Reena Bhatia	6,00,000	8.29
7	Dhawal Bhatia	6,00,000	8.29
	TOTAL (B)	24,00,000	33.16
(iii) Public			
8	Rajesh Bhatia	6,00,000	8.29
9	Sagar Zaveri	1,90,000	2.63
10	Rajesh Zaveri	18,750	0.26
11	Manoj Rathod HUF	3,75,000	5.18
12	Harsh Zaveri	1,87,500	2.59
13	Harsha Zaveri	4,62,500	6.40
	TOTAL (C)	18,33,750	25.35
	TOTAL (A+B+C)	72,33,750	100.00

SUMMARY OF FINANCIAL INFORMATION

Particulars	For the Period ended on February 18, 2022
Share Capital	7,23,37,500
Net worth (₹ in Lakhs)	1,666.94
Revenue (₹ in Lakhs)	531.96
Profit after Tax (₹ in Lakhs)	35.30
Earnings per share (Basic & diluted)(₹)	1.43
Net Asset Value per Equity Share (Basic & diluted) (₹)	23.04
Total borrowings (₹ in Lakhs)	16.00

QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

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

Nature of Cases	Number of Cases	Total Amount Involved (In ₹)
A. Litigation against the Company	Nil	Nil
B. Litigation by Company	Nil	Nil
C. Litigation against Promoters and Directors of the Company	2	50.00
D. Litigation by Promoters and Directors of the Company	Nil	Nil
E. Litigation against Group Company	Nil	Nil
F. Litigation by Group Company	Nil	Nil

For further details, please refer chapter titled “*Outstanding Litigations & Material Developments*” beginning on page 113 of this Draft Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “*Risk Factors*” on page 13 of this Draft Prospectus.

SUMMARY OF CONTIGENT LIABILITIES OF OUR COMPANY

We do not have any contingent liabilities as on February 18, 2022.

SUMMARY OF RELATED PARTY TRANSACTIONS

(₹ In Lakhs)

Nature of Transaction / Name of Related Party		February 18, 2022
Particulars	Relations	
Directors Remuneration		
Bharat Brijlal Bhatia	Director	3.29
Rameshchand Chanduram Bhatia	Director	3.29
Ravi Ashokkumar Bhatia	Director	1.64
Equity Share Capital		
Bharat Brijlal Bhatia		141.90
Rameshchand Chanduram Bhatia		141.90
Ravi Ashokkumar Bhatia		38.70
Sonal Bharbhai Bhatia		64.50
Madhu Brijlal Bhatia		64.50
Reena Rameshchand Bhatia		64.50
Dhawal Rameshchand Bhatia		64.50
Purchase of proprietorship business		
Ravi Ashokkumar Bhatia	Director	167.93
Loan Taken by the Company		
Bharat Brijlal Bhatia	Director	75.25
Rameshchand Chanduram Bhatia	Director	20.00
Loan Paid back by the Company		
Bharat Brijlal Bhatia	Director	65.25
Rameshchand Chanduram Bhatia	Director	14.00

Advances Received Back		
Ravi Ashokkumar Bhatia	Director	5.48
Dhawal Rameshchand Bhatia	Director	40.00
Smt. Kamini Ashokkumar Bhatia	Director	2.30
Balance Outstanding - Loan - Liability		
Bharat Brijlal Bhatia	Director	10.00
Rameshchand Chanduram Bhatia	Director	6.00
CFO Sunny Vyaswala	KMP	0.99
Salary Expenses		
CS Hiral Shah	KMP	0.33
Salary Expenses		

For detailed information on the related party transaction executed by our Company, please refer chapter titled “Restated Financial Statement” beginning on page 90 of this Draft Prospectus.

FINANCING ARRANGEMENTS

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

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

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

Sr. No	Name of Promoter	No of Shares	Weighted Average Price
1.	Mr. Bharat Bhatia,	13,20,000	10.75
2.	Mr. Ramesh Bhatia	13,20,000	10.75
3.	Mr. Ravi Bhatia	3,60,000	10.75

AVERAGE COST OF ACQUISITION

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

Name	Average Cost of Acquisition per Equity Share (in ₹)
Mr. Bharat Bhatia,	10.75
Mr. Ramesh Bhatia	10.75
Mr. Ravi Bhatia	10.75

DETAILS OF PRE-ISSUE PLACEMENT

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

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

Except as set out Below, our Company has not issued Equity Shares for consideration other than cash.

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Consideration
January 21, 2022	52,00,000	10	Not Applicable	Bonus Issue
February 18, 2022	12,33,750	10	80	Conversion of Loan

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares since incorporation.

SECTION II – RISK FACTORS

Investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Prospectus, including the risks and uncertainties described below and the Financial Statements incorporated in this Draft Prospectus, before making an investment in the Equity Shares of our Company. Any potential investor in, and subscribers of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For further details, please refer to chapters titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 60 and 110, respectively of this Draft Prospectus, as well as the other financial and statistical information contained in this Draft Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.

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

- *Some risks may not be material at present but may have a material impact in the near future.*
- *Some risks may not be material individually but may be found material when considered collectively*
- *Some risks may have material impact qualitatively and not quantitatively and vice-versa*

We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of, or deem immaterial or irrelevant, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares and may also have an adverse effect on our business. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. For further details, please refer to chapter titled “Forward-Looking Statements” beginning on page 7 of this Draft Prospectus.

Unless otherwise indicated, all financial information included herein are based on our Financial Statements. Please refer to the section titled “Restated Financial Statements” beginning on page 90 of this Draft Prospectus.

INTERNAL RISK FACTORS:

1. The Company had taken over the running business of one of the Director of the Company.

The company was incorporated on December 10, 2021. The object clause of the Memorandum of Association of the Company was to takeover the running business of the M/s Ravi Chem , a proprietary concern of Ravi Bhatia, director of the Company. The business of the Proprietary concern with all assets and liabilities was taken over by the Company. The total consideration of Rs5,00,00,000 was paid to Ravi Bhatia towards acquiring the running business of the Firm..

2. The object of the Public issue is to takeover the running business of M/s Poly Chem Exports, a partnership firm in which Bharat Bhatia, Rameshchand Bhatia and Ravi Bhatia, are the partners and they are the promoters and directors of the Company .

The company has decided to do inorganic growth and in that direction the company had taken the running business of M/s Ravi Chem, a proprietary concern of the one of the director of the Company. The partnership firm M/s Polychem Exports doing the trading of Textile Dyes, Intermediaries, solvents, resins and Auxiliaries which is owned by the Bharat Bhatia, Rameshchand Bhatia and Ravi Bhatia the directors of the Company is also going to be acquired by the Company from the funds raised through the Initial Public offer. The object of the takeover is to gain access to new markets through successful acquisitions. The company will utilize 2100.00 lacs towards acquisition of the business of the partnership firm. The Company will take all the assets of the firm and Liabilities of the firm except the secured loans from the banks and NBFCs. If the existing customer of the M/s. Polychem Export will not continue for doing the business with the company, the growth, profitability of the company will be adversely effected.

3. Our Registered Office and factory at A/2/12, Road no.1,Udhana Udhyog nagar Sangh, Udhna, Surat-394210 is taken on monthly Rent of ₹ 110000 by Our Company.

The Registered Office of the company is at rented premises situated at A/2/12, Road no.1,Udhana Udhyog Nagar Sangh, Udhna, Surat-394210 on monthly rent of Rs 110000. The company is also using the said property as Factory. The License period for the use of property is for 11 months on leave and license basis. If the rent agreement will not be renewed after the expiry of period, we have to find out other premises for registered office as well as for factory and the operation of the Company will be affected.

4. There are outstanding litigations against promoters which if determined against us, could adversely impact financial conditions.

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

Particular	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation against the Promoters	The negotiable Instrument Act,1938	2	50.00

For further details regarding outstanding litigations by and against companies please refer the chapter "Outstanding Litigations and Material Development" on page no. 113 of this Draft Prospectus.

5. There may be potential conflict of interests between our company with other venture or enterprises promoted by our promoter or directors.

The promoters of the Company are involved in other partnership firms which are involved in the same line of activity.ie. trading of Dyes and Intermediaries. In order to avoid the conflict of interest the promoters have started merging their proprietary concern M/s Ravi Chem in the business of the Company. The partnership firm M/s Polychem Exports carrying the trading of Textile Dyes, Intermediaries, solvents, resins and Auxiliaries which is owned by the Bharat Bhatia, Rameshchand Bhatia and Ravi Bhatia the directors of the Company is also going to be acquired by the Company from the funds raised through the Initial Public offer. We cannot assure that we shall be able to adopt necessary measures for mitigating these conflicts and hence the same if not managed well, could adversely affect our results of operations and financial condition. Also, our Company does not have any non-compete or such other agreement / arrangement with the said firms.

6. Our operations are in the surat city only and failure to expand our operations may restrict our growth and adversely affect our growth.

Currently, our office and Factory are situated in Surat and we are carrying our business mainly with market players from Surat itself. Hence, our revenues are generated from operations in this region only. In the event that demand for our products in general reduces or stops by any reason including political discord or instability or change in policies of State, then our financial condition and operating results may be materially and adversely affected.

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

Our working capital requirement is high due to supplying goods to the textile industry and the credit period given to the customers is high. Inability of our Company to raise corresponding working capital in line with the growth of our operations may result in adversely affecting our operations and financial performance.

8. Our Company has allotted shares during the preceding one year from the date of draft prospectus at price lower than the issue price.

We have issued certain Equity Shares in the one year from the date of the Draft Prospectus which is lower than the Issue Price. Details of such issuances are given in the table below:

Date of allotment	Name of the Allottees	Number of Shares	Issue Price	Reason
On incorporation	Bharat Bhatia	11,000	10	Subscriber to MAO
	Sonal Bhatia	5,000	10	
	Madhu Bhatia	5,000	10	
	Rameshchand Bhatia	11,000	10	
	Reena Bhatia	5,000	10	
	Dhaval Bhatia	5,000	10	
	Ravi Bhatia	3,000	10	
	Rajesh Bhatia	5,000	10	

For Further details of equity shares issued, please refer to the section titled “Capital Structure” beginning on page no. 33 of this Draft Prospectus.

9. We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.

We have entered into certain transactions with related parties with our Promoter, Promoter Group, Directors, their relatives, Group Entities and may continue to do so in future. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favorable terms than from transaction with related parties. Additionally, our company belief that all our related party transactions have been conducted on an arm’s length basis, but we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse affect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to “Annexure 29”*Related Party Transactions*” on page 105 of Restated Financial Information.

10. We have unsecured loans from directors and relatives of directors, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations.

As per our restated financial statements, as on February 18, 2022 we have unsecured loan of ₹ 16.00 lakhs from erstwhile director which is repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our liquidity and business operations. For further details of these unsecured loans, please refer to Chapter titled “*Restated Financial Statements*” beginning on page 90 of this Draft Prospectus.

11. The prices we are able to obtain for the trading products that we trade depend largely on prevailing market prices.

The prevailing market price of our trading products has a significant impact on our profits. The product is used for dyeing of cloths which is going to be used by the customers for clothings and the spending power of the clients will impact our operation, the availability of alternative product, shifts in supply and demand

and other factors are beyond our control. As a result, any fluctuation in prices could have a material adverse effect on our Company and our results of operations.

12. Our Promoters, Directors and Key Managerial Personnel may have interest in our Company, other than reimbursement of expenses incurred or remuneration.

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoter are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled "*Business Overview*" and "*Our Promoters and Promoter Group*", beginning on page 60 and 86 respectively and the chapter titled "*Annexure 29 - Related Party Transactions*" on page 105 under chapter titled "*Restated Financial Statements*" beginning on page 90 of this Draft Prospectus.

13. Our business requires us to obtain a number of approvals, NOCs, licenses, registrations and permits and renew certain registrations, licenses and permits from government and regulatory authorities as well. Failure to obtain them or renewal of them in a timely manner may adversely affect our business operations.

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registration and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. If we fail to apply or to renew such registrations and licenses or comply with applicable conditions, then such respective regulatory can impose fine on our company or suspend and/or cancel the approval/licenses which may affect our business adversely.

For more information about the licenses required in our business and the licenses and approvals applied for and yet to receive approval, please refer section "*Government and other Statutory Approvals*" appearing on page 117.

14. Sale of shares by our promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

The sale of shares by the promoters or other significant shareholder(s) may significantly affect the trading price of our Equity shares. Further the market price generally may be adversely affected on account of the news about the sale of shares by the promoters. However the closing of trading windows during the period of financial results may restrict the promoters from selling the shares in the open market.

15. The issue price of the Equity Shares may not be indicative of market price of our equity shares after the issue and the market price of our Equity shares may decline below the issue price.

The issue price of our Equity shares is decided on the basis of both qualitative and quantitative factors. The company has been recently incorporated but the promoters have experience of more than 15 years in the trading of chemical and have well established customers network. All such point has been considered in deciding the issue price of the Equity Shares. Please refer chapter titled "*Basis for Issue Price*" beginning on the page no 49 of the Draft prospectus. The market price of our equity shares could be subject to change after the issue and may decline the below the issue price.

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

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 100 cr. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of Listing Agreement. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the SME platform of BSE.

17. Our success depends heavily upon our Promoter and Senior Management for their continuing services, strategic guidance and financial support.

Our success depends heavily upon the continuing services of Rameshchand Bhatia, Bharat Bhatia and Ravi Bhatia who are the natural persons in control of our Company. They currently serve as Managing Director and whole time directors and their experience and vision had played a key role in obtaining our current reputation and status in the market. We would depend significantly on our Key Managerial Persons for continuing our business operations successfully. If any member of the senior management team is unable or unwilling to continue in his present position, we may not be able to replace him easily or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

18. We have not identified any alternate source of financing the ‘Objects of the Issue’. If we fail to mobilize resources as per our plans, our growth plans may be affected.

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue which may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled “*Objects of the Issue*” on page 43 of this Draft Prospectus.

19. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

20. We have not independently verified certain data in this Draft Prospectus.

We have not independently verified data from the Industry and related data contained in this Draft Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. 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 are based have not been verified by us and 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.

21. In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding, rent on the immovable properties and dividend entitlement in our Company.

Our Directors and Key Managerial Personnel (“KMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company as well as rent on the immovable properties given to the company on rental basis. For further information, see “Capital Structure” and “Our Management” on pages 33 and 75 respectively, of this Draft Prospectus.

22. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or

another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be change subject to the approval of shareholders by passing special resolution pursuant to section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled “Objects of the Issue” beginning on page no. 43 of this Draft Prospectus.

EXTERNAL RISK FACTORS

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

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

- Volatility in the India and global capital market;
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Adverse media reports on Company;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India’s economic and fiscal policies; and
- Significant developments in India’s environmental regulations.

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

1. 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. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

2. Any changes in the regulatory framework could adversely affect our operations and growth prospects

Our Company is subject to various regulations and policies. For details see section titled “*Key Industry Regulations and Policies*” beginning on page 66 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

3. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

4. Our 100% Revenue is derived from business in India and a decrease in economic growth in India could materially affect and cause our business to suffer.

We derive 100% of our revenue from our operations in India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

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

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Lead Manager have appointed NNM Securities Private Limited as Designated Market maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

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

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include income tax and GST and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

SECTION III - INTRODUCTION

THE ISSUE

Present Issue in terms of the Draft Prospectus:

Issue Details	
Issue of Equity Shares by our Company	50,00,000 Equity Shares of ₹ 10 each at an Issue Price of ₹80 each aggregating to ₹4000.00 Lacs
Of which:	
Reserved for Market Makers	2,64,000 Equity Shares of ₹ 10 each at an Issue Price of ₹80 each aggregating to ₹211.20 Lacs
Net Issue to the Public*	47,36,000 Equity Shares of ₹ 10 each at an Issue Price of ₹80 each aggregating to ₹3788.80 Lacs
Of which	
Retail Portion	23,68,000 Equity Shares of ₹ 10 each at an Issue Price of ₹80 each aggregating to ₹1894.40 Lacs
Non Retail Portion (Includes Qualified Institutional Buyers Portion)	23,68,000 Equity Shares of ₹ 10 each at an Issue Price of ₹80 each aggregating to ₹1894.40 Lacs
Equity Shares outstanding prior to the Issue	72,33,750 Equity Shares of ₹ 10 each
Equity Shares outstanding after the Issue	1,22,33,750 Equity Shares of ₹ 10 each
Use of Proceeds	For further details please refer chapter titled “Objects of the Issue” beginning on page no. 43 of the Draft Prospectus for information on use of Issue Proceeds.

Notes

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled ‘Issue Structure’ beginning on page no. 135 of this Draft Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 18, 2022 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the EGM held on February 21, 2022.

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

- a) Minimum fifty percent to retail individual investor; and
- b) Remaining to:
 - i. Individual applicants other than retail individual investors; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retails individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retails individual investors shall be allocated that higher percentage.

SUMMARY OF FINANCIAL INFORMATION

Annexure -I Restated Standalone Summary Statement of Assets and Liabilities As at 18-02-2022

(₹ In Lacs)

	Particulars	Amount
	EQUITY & LIABILITIES	
(1)	Shareholder's Funds	
	(a) Share Capital	723.38
	(b) Reserves & surplus	943.57
	Sub Total.....(1)	1,666.95
(2)	Share Application Money.....(2)	-
(3)	Non Current Liabilities	
	(a) Long term Borrowings	16.00
	(b) Long term Liabilities	-
	(c) Deffered Tax Liabilities (Net)	0.38
	(d) Long term Provisions	0.56
	Sub Total.....(3)	16.93
(4)	Current Liabilities	
	(a) Short Term Borrowings	-
	(b) Trade Payables	-
	- Outstanding due to Micro and Small Enterprises	225.68
	- Outstanding due to Creditors other then Micro and Small Enterprises	1,740.94
	(c) Other Current Liabilities	44.74
	(d) Short term provisions	32.32
	Sub Total.....(4)	2,043.67
	TOTAL LIABILITIES.....(1+2+3+4)	3,727.56
	ASSETS	
(5)	Non Current Assets	
	(a) Property Plant and Equipment	
	(i) Tangible Assets	30.15
	(ii) Intangible Assets	-
	(b) Capital work-in-progress	-
	(c) Non Current Investments	-
	(d) Deferred Tax Assets	-
	(e) Long term Loans and Advances	-
	(f) Other non Current Assets	-
	Sub Total.....(5)	30.15
(6)	Current Assets	
	(a) Current Investments	-
	(b) Inventories	379.68
	(c) Trade Receivables	3,098.45
	(d) Cash and bank balances	206.59
	(e) Short Term Loans and Advances	12.69
	Sub Total.....(6)	3,697.41
	TOTAL ASSETS.....(5+6)	3,727.56

Annex-II Restated Standalone Summary Statement of Profits and Losses As at 18-02-2022

(₹ In Lacs)

Particulars	Amount
Income from continuing operations	
Revenue from operations	531.96
Other Income	-
Total Revenue	531.96
Expenses	
Cost of Material Consumed	523.32
Purchase of Stock in Trade	-
Change in Inventories of Finished Goods	(166.76)
Employee Benefits Expense	34.81
Finance Costs	1.24
Other expenses	86.79
Depreciation and amortisation expenses	0.51
Total Expenses	479.92
Extra Ordinary / Exceptional Item	0.08
Restated profit before tax from continuing operations	51.96
Tax expense/(income)	
Current tax	16.28
Deferred tax charge/(credit)	0.38
Total tax expense	16.66
Restated profit after tax from continuing operations (A)	35.30

Annex-III Restated Standalone Summary Statement of Cash Flows As at 18-02-2022

(₹ In Lacs)

Particulars	Amount
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net profit before taxation and extraordinary items from continuing operations (as restated)	52.04
Non cash adjustments to reconcile profit before tax to net cash flows	
Add: Adjustment for :	
Depreciation and amortisation expense	0.51
Interest expense	-
Less: Adjustment for :	
Extraordinary Items	0.08
Interest Income	-
Operating profit before working capital changes (as restated)	52.48
Movement in Working Capital	
Add: Adjustment for :	
(Increase)/decrease in short term borrowings	16.00
(Increase)/decrease in short term borrowings	-
Less: Adjustment for :	
(Increase)/decrease in Inventories	379.68
(Increase)/decrease in trade receivables	3,098.45
(Increase)/decrease in Short term loans and advances	12.69
Increase/(decrease) in Long term Provisions	(0.56)
(Increase)/decrease in Other Current Assets	-
(Increase)/decrease in non current Investments	-
Increase/(decrease) in trade payables	(1,966.62)
Increase/(decrease) in Other Current Liabilities	(44.74)
Increase/(decrease) in Short term provisions	(32.32)

	Increase/(decrease) in Long Term liability	
	Cash flow from operations	(1,378.11)
	Direct taxes paid (including fringe benefit taxes paid) (net of refunds)	16.28
	Dividend and Dividend Distribution Tax	-
	Net cash generated from operating activities (A)	(1,394.39)
	B. CASH FLOW USED IN INVESTING ACTIVITIES	
	Purchase of fixed assets, including intangible assets, capital work in progress and capital advances	(30.66)
	Capital Work in Progress	-
	Sale of Assets	-
	Interest received	-
	Dividend Income	-
	Net cash used in investing activities (B)	(30.66)
	C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES	
	Proceeds from Long term Borrowings	-
	Proceeds from issue of Share Capital and Reserve and Surplus-	
	Share Capital & Share Premium	1,631.64
	Increase In Non Current Assets	-
	Interest paid	-
	Net cash generated from/(used in) financing activities (C)	1,631.64
	Net increase/(decrease) in cash and cash equivalents (A + B + C)	206.59
	Cash and cash equivalents at the beginning of the year	-
	Cash and cash equivalents at the end of the year	206.59

GENERAL INFORMATION

Our Company was originally incorporated as “Bhatia Colour Chem Limited”* under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated December 10, 2021 bearing Corporate Identification Number U24290GJ2021PTC127878 issued by the Registrar of Companies, Central Registration Center. Subsequently, our Company filed the forms of conversion to change the CIN of the Company from “PTC” to “PLC” pursuant to a special resolution passed by our shareholders at the EGM held on January 21, 2022 and consequently the name of our Company was remain same as “Bhatia Colour Chem Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated February 10, 2022. For further details, please refer the chapter titled “*History and Certain Corporate Matters*” beginning on page 72 of this Draft Prospectus.

The Corporate Identification Number of our Company is U24290GJ2021PLC127878

Registered & Corporate Office of our Company

Bhatia Colour Chem Limited

Plot No. A/2/12, Road No. 1 Udhna Udhyog Nagar, Sangh, Udhna, Surat – 394210, Gujarat.

Tel No: 0261-2270489,+91 9104294564

Website: www.bccl.info

E-mail: account@bccindia.com

ADDRESS OF REGISTRAR OF COMPANIES

Registrar of Companies

Our Company is registered with the Registrar of Companies, Ahmedabad located at:

Registrar of Companies

ROC Bhavan, Opp. Rupal Park Society,

Behind Ankur Bus Stop, Naranpura,

Ahmedabad - 380013, Gujarat, India

Board of Directors of our Company

Our Board of Directors comprises of the following directors as on the date of filing of this Draft Prospectus

Sr No	Name	Designation	DIN	Address
1.	Bharat Bhatia	Managing Director	09095082	105, Pooja Abhishek Apartment, Near Lal Banglows, Athwalines, Surat - 395007, Gujarat
2.	Rameshchand Bhatia	Whole Time Director	09431185	105-106, Pooja Abhishek Apartment, Near Lal Banglows, Athwalines, Surat -395007, Gujarat
3.	Ravi Bhatia	Whole Time Director	09431186	B-1002,Swaar Sangini, Opp. Bhagwan Mahavir College, Behind GEB Office, VIP Road, Vesu, SVR College, Surat -395007, Gujarat
4.	Nevil Soni	Independent Director	08206415	2nd Floor, 14 Jay Gayatri Society, Opp. Umasut Flat, Vasna, Ahmedabad - 380007
5.	Rutu Sanghvi	Independent Director	09494473	11, Samay Flat, Opp Anjali b.r.t.s. Bus stand, Vasna, Paldi, Ahmedabad - 380007
6.	Insiya Nalawala	Independent Director	08436102	2993/1, Hilltop Appartment, Husami Mohalla, Dahod -389151

For further details of our Directors, please refer chapter titled “*Our Management*” beginning on page 75 of this Draft Prospectus.

Company Secretary and Compliance Officer

Hiral Shah

Bhatia Colour Chem Limited

Plot No. A/2/12, Road No. 1 Udhna Udhyog Nagar, Sangh, Udhna, Surat – 394210, Gujarat.

Tel No: 0261-2270489,+91 9104294564

Website: www.bccl.info

E-mail: account@bccindia.com

Note: Investors can contact our Company Secretary and Compliance Officer, the Lead Manager or the Registrar to the Issue, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc.

ALL GRIEVANCES RELATING TO THE ASBA PROCESS AND UPI PAYMENT MECHANISM MAY BE ADDRESSED TO THE REGISTRAR TO THE ISSUE, WITH A COPY TO THE RELEVANT DESIGNATED INTERMEDIARY WITH WHOM THE ASBA FORM WAS SUBMITTED. THE APPLICANT SHOULD GIVE FULL DETAILS SUCH AS NAME OF THE SOLE OR FIRST APPLICANT, ASBA FORM NUMBER, APPLICANT DP ID, CLIENT ID, UPI ID (IF APPLICABLE), PAN, DATE OF THE ASBA FORM, ADDRESS OF THE APPLICANT, NUMBER OF EQUITY SHARES APPLIED FOR AND THE NAME AND ADDRESS OF THE DESIGNATED INTERMEDIARY WHERE THE ASBA FORM WAS SUBMITTED BY THE ASBA APPLICANT.

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

Lead Manager to the Issue	Registrar to the Issue
Interactive Financial Services Limited A-1006, Premium House, Behind Handloom House, Ashram Road, Ahmedabad – 380009, Gujarat, India Tel No.: +079-2658-1240 Web Site : www.ifinservices.com Email : mbd@ifinservices.com Investor Grievance Email: info@ifinservices.com Contact Person: Ms. Jaini Jain SEBI Reg No : INM000012856	Bigshare Services Private Limited Address: 1st Floor, Bharat Tin works Building, Oppvasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059 Tel No: +91 22-62638200 Fax No +91 22-62638299 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Mr. Swapnil Kate SEBI Reg. No.: INR000001385
Legal Advisor to the Issue	Statutory and Peer Reviewed Auditor
Dipak C. Kokas, Advocate Address: B1/102, Sentosa Enclave, Nr. Sunrise School, B/s Rami Park,Dindoli, Surat - 394210 Tel No: 9879279633 M: +91- 9879279633 Email Id: dipakkokas66@gmail.com Contact Person: Dipak Chandranath Kokas Bar Council No.: G/1814/2013	DSI & Co., Chartered Accountants Address: MF/14-26, Nariman Point Shopping Center, Near Raghuvir Bungalows, City Light Road, Surat - 395007 Tel No.: 0261-2223030 Email: dsi.surat@gmail.com Membership No.: 136712 Firm Registration No.: 0127226W Peer Review No: 012463 Contact Person: CA Eric Kapadia
Bankers to the Company	Bankers to the Issue and Refund Banker and Sponsor Bank
HDFC Bank Limited Address: Ground Floor, UTC Building, Udhna Darwaja, Ring Road, Near Apple Hospital, Surat - 395002 Tel: 0261-2332076 Fax No.: N.A Email id: vipul.modi@hdfcbank.com Contact Person: Vipul Modi	ICICI Bank Limited Address: Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay, Reclamation, Churchgate, Mumbai - 400020 Tel: 022-66818911/23/24 Fax No.: 022-22611138 Email id: sagar.welekar@icicibank.com Contact Person: Mr. Sagar Welekar

Designation: Branch Manager Website: www.hdfcbank.com	Website: www.icicibank.com
--	-----------------------------------

SYNDICATE MEMBER(s)

No Syndicate Member have been appointed as on the date of this Draft 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 on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>.

Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the designated intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and its updated from time to time.

Registered Broker

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicant can submit Application form through stock broker network of the Stock Exchange i.e Registered Broker at the Broker center.

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

Registrar to the Issue and Share Transfer Agents

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Collecting Depository Participants

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Inter-Se Allocation of Responsibilities

Interactive Financial Services Limited being the sole Lead Manager to this issue shall be undertaking all activities in relation to this issue. Hence, the statement of inter-se allocation of responsibilities among Lead Manager is not required.

Credit Rating

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

IPO Grading

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

Monitoring Agency

As per regulation 262(1) of SEBI (ICDR) Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 10,000 Lakhs. Since the Issue size is only of ₹ 4,000.00 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

APPRAISING ENTITY

No appraising entity has been appointed in respect of any objects of this Issue.

Expert Opinion

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

Our Company has received a written consent from our Peer Review Auditor, M/s. DSI & Co., Chartered Accountants, with respect to their report on the Financial Statements dated February 22, 2022 and the Statement of Tax Benefits dated February 22, 2022, to include their name in this Draft 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 Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Trustee

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

Changes in Auditors During the Last Three Years

There is no change in Statutory Auditor of the Company since Incorporation.

Filing of Draft Offer Document/ Offer Document

- a) The Draft Prospectus and Prospectus shall be filed with SME Platform of BSE Limited (“BSE SME”) situated at Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai - 400001, Maharashtra, India.
- b) A soft copy of Draft Prospectus shall be submitted to SEBI. However, SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Draft Prospectus and Prospectus along with relevant documents shall be filed with SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.
- c) A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Ahmedabad, Gujarat, India situated at RoC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus-Stop, Naranpura, Ahmedabad – 380 013, Gujarat, India.

Underwriters

Our Company and the LM to the Issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated February 21, 2022 Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have

indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name and Address of the Underwriter	Indicative Number of Equity Shares Underwritten*	Amount Underwritten (₹in Lakhs)	% of the Net Issue size Underwritten
Interactive Financial Services Limited A-1006, Premium House, Behind Handloom House, Ashram Road, Ahmedabad – 380009, Gujarat, India Tel No.: +079-2658-1240 Web Site : www.ifinservices.com Email : mbd@ifinservices.com Investor Grievance Email: info@ifinservices.com Contact Person: Pooja Shah SEBI Reg No : INM000012856	7,50,000	600.00	15.00%
NNM Securities Private Limited B 6/7, Shri Siddhivinayak Plaza, 2 nd Floor, Plot No. B-31, Oshiwara, Opp. Citi Mall Oshiwara, Andheri (West), Mumbai -400 053, Maharashtra Tel No: +91 22 40790011, 40790036 Email: support@nmmsecurities.com Investor Grievance Email ID: support@nmmsecurities.com Contact Person: Mr. Nikunj Anilkumar Mittal SEBI Registration No: INZ000234235	42,50,000	3400.00	85.00%
Total	50,00,000	4000.00	100%

**Includes 2,64,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker on its own account in order to comply with the requirements of Regulation 261 of SEBI (ICDR) Regulations 2018.*

In the opinion of our Board of Directors of the Company, the resources of the above-mentioned Underwriters are sufficient to enable them to discharge the underwriting obligations in full.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (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 Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

Market Maker

Our Company and the Lead Manager have entered into an agreement dated February 21, 2022 with the following Market Maker, duly registered with BSE to fulfill the obligations of Market Making:

NNM Securities Private Limited
B 6/7, Shri Siddhivinayak Plaza, 2nd Floor,
Plot No. B-31, Oshiwara, Opp. Citi Mall
Oshiwara, Andheri (West),

Mumbai -400 053, Maharashtra
Tel No: +91 22 40790011, 40790036
Email: support@nnmsecurities.com
[Investor Grievance Email ID: support@nnmsecurities.com](mailto:support@nnmsecurities.com)
Contact Person: Mr. Nikunj Anilkumar Mittal
SEBI Registration No: INZ000234235

NNM Securities Private Limited is registered with BSE SME as a Market Maker and has agreed to receive or deliver the Equity Shares in the market making process for a period of three (3) 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 fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time.

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the trading hours in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of BSE Limited and SEBI from time to time. The Market Maker spread (i.e., the difference between the buy and the sell quote) shall not be more than 10% in compliance with the Market Maker spread requirements or as specified by BSE SME and/or SEBI from time to time
3. 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. The minimum lot size in the IPO is 1,600 Equity Shares, thus, the minimum depth of the quote shall be such an amount that the minimum lot of 1,600 Equity Shares is met, until the same is revised by BSE SME.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is 1,600 equity shares; however, the same may be changed by the SME Platform of stock exchange from time to time).
5. 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 2,64,000 Equity Shares to be allotted under this Issue to the Market Maker). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange may intimate the same to SEBI after due verification. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange may intimate the same to SEBI after due verification. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five (5) Market Makers for a scrip of the company at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

9. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Exchange.
10. The Equity Shares of the Issuer will be traded in continuous trading session from the time and day the Issuer gets listed on BSE SME and Market Maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars or amended from time to time.
11. The Market Maker shall not buy the Equity Shares from the Promoters or Promoter Group of the Issuer or any person who has acquired Equity Shares from such Promoter or Promoter Group, during the Compulsory Market Making Period
12. The Promoters' holding of the Issuer which is locked-in shall not be eligible for offering to Market Maker during the Compulsory Market Making period. However, the Promoters' holding of the Issuer which is not locked in as per SEBI ICDR Regulations can be traded with prior permission of the BSE SME, in the manner specified by SEBI from time to time.
13. The LM, if required, has a right to appoint a nominee director on the Board of the Issuer any time during the Compulsory Market Making period provided it meets requirements of the SEBI ICDR Regulations.
14. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer at any particular level and is purely supposed to facilitate liquidity on the counter of the Issuer via its 2-way quotes. The price shall be determined and be subject to market forces.
15. 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 withdrawal on account of force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
16. The Market Maker(s) shall have the right to terminate said arrangement by giving a (1) one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.
17. 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 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 SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.
18. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
19. **Punitive Action in case of default by Market Makers:** BSE SME Exchange 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 Equity Shares of the Company as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

20. 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
- i. 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.
 - ii. 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.
21. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME.

Sr. No.	Market Price Slab (in ₹)	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

22. After completion of the first three months of market making, in terms of SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; the Market Maker shall be exempt from providing buy quote on attaining the prescribed threshold limits (including the mandatory allotment of 5% of Equity Shares of the Offer). Further, the Market Maker can offer buy quotes only after the Market Maker complies with prescribed re-entry threshold limits. Only those Equity Shares which have been acquired by the Market Maker on the platform of the SME Exchange during market making process shall be counted towards the Market Maker's threshold. The Market Maker shall be required to provide two way quotes during the first three months of the market making irrespective of the level of holding.
23. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time. The call auction is not applicable of those companies, which are listed at SME platform.
24. 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.
25. Further, the following shall apply to Market Maker while managing its inventory during the process of market making:
- a) The exemption from threshold as per table below shall not be applicable for the first three (3) months of the Compulsory Market Making Period and the Market Maker shall be required to provide two-way quotes during this period irrespective of the level of holding.
 - b) Threshold for market making as per table below will be inclusive of mandatory inventory of 5% of Issue Size at the time of Allotment in the Issue.
 - c) Any initial holdings over and above such 5% of Issue size would not be counted towards the inventory levels prescribed
 - d) Apart from the above mandatory inventory, only those Equity Shares which have been acquired on the platform of the Exchange during market making process shall be counted towards the Market Maker's threshold.

- e) Threshold limit will be taken into consideration, the inventory level across market makers.
- f) The Market Maker shall give two way quotes till it reaches the upper limit threshold, thereafter it has the option to give only sell quotes.
- g) Two way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.
- h) In view of the market making obligation, there shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process on the platform of the Exchange, the Exchange may intimate the same to SEBI after due verification.

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of Issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of Issue size)
Upto ₹ 2,000 Lakhs	25 %	24 %
₹. 2,000 Lakhs to ₹. 5,000 Lakhs	20 %	19 %
₹. 5,000 Lakhs to ₹. 8,000 Lakhs	15 %	14 %
Above ₹.8,000 Lakhs	12 %	11 %

26. 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/ BSE from time to time.

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

CAPITAL STRUCTURE

Our Equity Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Draft Prospectus, is set forth below:

Amount (Rs in Lacs except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A.	AUTHORISED SHARE CAPITAL		
	1,25,00,000 Equity Shares of face value of ₹10 each	1250.00	
B.	ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	72,33,750 fully paid Equity Shares of face value of ₹ 10 each	723.38	
C.	PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS#		
	Issue of 50,00,000 Equity Shares of face value of ₹10 each at a premium of ₹70 per share	500.00	4000.00
	Which Comprises:		
(I)	Reservation for Market Maker 2,64,000 Equity Shares of face value of ₹10 each at a premium of ₹ 70 will be available for allocation to Market Maker	26.40	211.20
(II)	Net Issue to the Public 47,36,000 Equity Shares of face value of ₹10 each at a premium of ₹70 per share	473.60	3788.80
	Of Net Issue to the Public		
(I)	23,68,000 Equity Shares of face value of ₹10 each at a premium of ₹70 per share shall be available for allocation for Investors applying for a value of upto ₹2 Lakh	236.80	1894.40
(II)	23,68,000 Equity Shares of face value of ₹10 each at a premium of ₹70 per share shall be available for allocation for Investors applying for a value above ₹2 Lakh	236.80	1894.40
D.	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE		
	1,22,33,750 Equity Shares of ₹10 each	1223.38	
E.	SHARE PREMIUM ACCOUNT		
	Share Premium account before the Issue		908.63
	Share Premium account after the Issue		4408.63

Details of Changes in Authorized Share Capital:

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

Sr. No.	Date of Change	AGM / EGM	Changes in authorized Capital
1.	On Incorporation (December 10, 2021)	-	The authorized capital of our company on incorporation comprised of ₹ 15,00,000/- consisting of 1,50,000 Equity shares of ₹ 10/- each.
2.	December 22, 2021	EGM	The authorized share capital of ₹ 15,00,000/- consisting of 1,50,000 Equity Shares of ₹10/- each was increased to ₹ 12,00,00,000/- consisting of 1,20,00,000 Equity shares of

			Rs.10/- each.
3.	February 21, 2022	EGM	The authorized share capital of ₹ 12,00,00,000/- consisting of 1,20,00,000 Equity Shares of Rs.10/- each was increased to ₹ 12,50,00,000/- consisting of 1,25,00,000 Equity shares of ₹10/- each.

Note:

The present issue of 50,00,000 equity shares in terms of this Draft Prospectus has been authorized by a resolution of our Board dated February 18, 2022 and by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting by the shareholders of our Company held on February 21, 2022.

The company has one class of share capital i.e. Equity Shares of Face value of ₹10/- each only. All equity shares issued are fully paid-up. Our Company has no outstanding Convertible Instruments as on date of this Draft Prospectus.

NOTES TO THE CAPITAL STRUCTURE:

1. Share Capital History:

Our existing Share Capital has been subscribed and allotted as under:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Reason / Nature of Allotment	Cumulative No. of Equity Shares
On Incorporation (December 10, 2021)	50,000	10	10	Cash	Subscription to MoA ¹	50,000
January 12, 2022	50,000	10	160	Cash	Right Issue ²	1,00,000
January 18, 2022	7,00,000	10	80	Cash	Right Issue ³	8,00,000
January 21, 2022	52,00,000	10	NA	Other than Cash	Bonus Issue ⁴	60,00,000
February 18, 2022	12,33,750	10	80	Other than Cash	Conversion of Loan ⁵	72,33,750

¹Initial Subscribers to Memorandum of Association subscribed 50,000 Equity Shares of face value of ₹10/- each fully paid at par as per the details given below:

Sr. No.	Name of the Person	No of Shares Subscribed
1.	Bharat Bhatia	11,000
2.	Sonal Bhatia	5,000
3.	Madhu Bhatia	5,000
4.	Rameshchand Bhatia	11,000
5.	Reena Bhatia	5,000
6.	Dhawal Bhatia	5,000
7.	Ravi Bhatia	3,000
8.	Rajesh Bhatia	5,000
Total		50,000

²Further Allotment on right basis (1:1) as on January 12, 2022 of 50,000 Equity Shares of face value of ₹ 10 each fully paid up at a price of ₹160/- per share including premium of ₹ 150/- per share, the details are given below:

Sr. No.	Name of the Person	No of Shares
1.	Bharat Bhatia	11,000
2.	Sonal Bhatia	5,000

3.	Madhu Bhatia	5,000
4.	Rameshchand Bhatia	11,000
5.	Reena Bhatia	5,000
6.	Dhawal Bhatia	5,000
7.	Ravi Bhatia	3,000
8.	Rajesh Bhatia	5,000
Total		50,000

³Further Allotment on right basis (7:1) as on January 18, 2022 of 7,00,000 Equity Shares of face value of ₹ 10 each fully paid up at a price of ₹ 80/- per share including premium of ₹ 70/-per share, the details are given below:

Sr. No.	Name of the Person	No of Shares
1.	Bharat Bhatia	1,54,000
2.	Sonal Bhatia	70,000
3.	Madhu Bhatia	70,000
4.	Rameshchand Bhatia	1,54,000
5.	Reena Bhatia	70,000
6.	Dhawal Bhatia	70,000
7.	Ravi Bhatia	42,000
8.	Rajesh Bhatia	70,000
Total		7,00,000

⁴Issue of Bonus Shares (65:10) as on January 21, 2022of 52,00,000 Equity Shares of face value of ₹ 10 each fully paid up, the details are given below:

Sr. No.	Name of the Person	No of Shares
1.	Bharat Bhatia	11,44,000
2.	Sonal Bhatia	5,20,000
3.	Madhu Bhatia	5,20,000
4.	Rameshchand Bhatia	11,44,000
5.	Reena Bhatia	5,20,000
6.	Dhawal Bhatia	5,20,000
7.	Ravi Bhatia	3,12,000
8.	Rajesh Bhatia	5,20,000
Total		52,00,000

⁵Conversion of Loan in to Equity Shares as on February18, 2022 of 12,33,750 Equity Shares of face value of ₹ 10 each fully paid up at a price of ₹ 80/- per share including premium of ₹ 70/-per share, the details are given below:

Sr. No.	Name of the Person	No of Shares
1.	Sagar Zaveri	1,90,000
2.	Rajesh Zaveri	18,750
3.	Manoj Rathod HUF	3,75,000
4.	Harsh Zaveri	1,87,500
5.	Harsha Zaveri	4,62,500
Total		12,33,750

2. Equity Share Issued for consideration other than cash:

a) Except as set out Below, our Company has not issued Equity Shares for consideration other than cash.

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Consideration
-------------------	------------------------	------------	-------------	---------------

January 21, 2022	52,00,000	10	Not Applicable	Bonus Issue
February 18, 2022	12,33,750	10	80	Conversion of Loan

- b) Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
3. Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 230-234 of the Companies Act, 2013.
4. Our Company has not issued any Equity Shares during a period of one year preceding the date of the Draft Prospectus at a price lower than the Issue price.

5. Our Shareholding Pattern:

The shareholding pattern of our company in accordance with Regulation 31 of SEBI(LODR) Regulations, 2015, as on February 22, 2022:

i. Summary of Shareholding Pattern:

Category (I)	Category of shareholder (II)	Nos 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 Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) (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) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter & Promoter Group	7	54,00,000	0	0	54,00,000	74.65	54,00,000	74.65	0	0			0	0	0.00
(B)	Public	6	18,33,750	0	0	18,33,750	25.35	18,33,750	25.35	0	0	0	0	0	0	12,33,750
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
	TOTAL	13	72,33,750	100	0	72,33,750	100.00	72,33,750	100.00	0	0			N.A	N.A	12,33,750

Note: Our Company will file shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such equity shares.

6. The shareholding pattern before and after the Issue:

Sr. No.	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoter					
1	Bharat Bhatia	1,320,000	18.25	1,320,000	10.79
2	Rameshchand Bhatia	1,320,000	18.25	1,320,000	10.79
3	Ravi Bhatia	3,60,000	4.99	3,60,000	2.94
	TOTAL (A)	30,00,000	41.49	30,00,000	24.52
(ii) Promoter Group					
4	Sonal Bhatia	6,00,000	8.29	6,00,000	4.90
5	Madhu Bhatia	6,00,000	8.29	6,00,000	4.90
6	Reena Bhatia	6,00,000	8.29	6,00,000	4.90
7	Dhawal Bhatia	6,00,000	8.29	6,00,000	4.90
	TOTAL (B)	24,00,000	33.16	24,00,000	19.62
(iii) Public					
8	Rajesh Bhatia	6,00,000	8.29	6,00,000	4.90
9	Sagar Zaveri	1,90,000	2.63	1,90,000	1.55
10	Rajesh Zaveri	18,750	0.26	18,750	0.15
11	Manoj Rathod HUF	3,75,000	5.18	3,75,000	3.06
12	Harsh Zaveri	1,87,500	2.59	1,87,500	1.53
13	Harsha Zaveri	4,62,500	6.40	4,62,500	3.78
	IPO			50,00,000	40.87
	TOTAL (C)	18,33,750	25.35	58,33,750	55.86
	TOTAL (A+B+C)	72,33,750	100.00	1,22,33,750	100.00

7. Details of Major Shareholders

- i. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Draft Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Bharat Bhatia	1,320,000	18.25
2.	Rameshchand Bhatia	1,320,000	18.25
3.	Ravi Bhatia	360,000	4.99
4.	Sonal Bhatia	6,00,000	8.29
5.	Madhu Bhatia	6,00,000	8.29
6.	Reena Bhatia	6,00,000	8.29
7.	Dhawal Bhatia	6,00,000	8.29
8.	Rajesh Bhatia	6,00,000	8.29
9.	Sagar Zaveri	1,90,000	2.63
10.	Manoj Rathod HUF	3,75,000	5.18
11.	Harsh Zaveri	1,87,500	2.59
12.	Harsha Zaveri	4,62,500	6.40
TOTAL		72,15,000	99.74

- ii. List of Shareholder holding 1.00% or more of the paid-up capital of the company ten days prior to the date of the Draft Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Bharat Bhatia	1,320,000	22.00

2.	Rameshchand Bhatia	1,320,000	22.00
3.	Ravi Bhatia	360,000	6.00
4.	Sonal Bhatia	6,00,000	10.00
5.	Madhu Bhatia	6,00,000	10.00
6.	Reena Bhatia	6,00,000	10.00
7.	Dhaval Bhatia	6,00,000	10.00
8.	Rajesh Bhatia	6,00,000	10.00
TOTAL		60,00,000	100.00

iii. List of Shareholder holding 1.00% or more of the paid-up capital of the company as on one years prior to the date of the Draft Prospectus: Not Applicable**

iv. List of Shareholder holding 1.00% or more of the paid-up capital of the company as on two years prior to the date of the Draft Prospectus: Not Applicable**

**Note: Our Company was incorporated on December 10, 2021, hence shareholders holding 1% or more of the paid up capital of the Company as mention in above in point no. iii & iv is not applicable.

8. As on date of this Draft Prospectus, there are no outstanding warrants, options or rights to convert a debentures, loans or other financial instruments into our Equity Shares.
9. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise except that if we enter into acquisition(s) or joint ventures, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

10. Share Capital Build-up of our Promoter & Lock-in:

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

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (₹)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post-Issue	
Bharat Bhatia									
December 10, 2021	On Incorporation	Cash	11,000	11,000	10	10	0.15	0.09	1 year
January 12, 2022	Right Issue	Cash	11,000	22,000	10	160	0.15	0.09	1 year
January 18, 2022	Right Issue	Cash	1,54,000	1,76,000	10	80	2.13	1.26	1 year
January 21, 2022	Bonus Issue	Other than Cash	10,43,500	12,19,500	10	N.A	14.43	8.53	3 years
			1,00,500	13,20,000			1.39	0.82	1 year
TOTAL (A)			13,20,000				18.25	10.79	
Rameshchand Bhatia									
December 10, 2021	On Incorporation	Cash	11,000	11,000	10	10	0.15	0.09	1 year
January 12, 2022	Right Issue	Cash	11,000	22,000	10	160	0.15	0.09	1 year

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (₹)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post-Issue	
January 18, 2022	Right Issue	Cash	1,54,000	1,76,000	10	80	2.13	1.26	1 year
January 21, 2022	Bonus Issue	Other than Cash	10,43,500	12,19,500	10	N.A.	14.43	8.53	3 years
			1,00,500	13,20,000			1.39	0.82	1 year
TOTAL (B)			13,20,000				18.25	10.79	
Ravi Bhatia									
December 10, 2021	On Incorporation	Cash	3,000	3,000	10	10	0.04	0.02	3 years
January 12, 2022	Right Issue	Cash	3,000	6,000	10	160	0.04	0.02	3 years
January 18, 2022	Right Issue	Cash	42,000	48,000	10	80	0.58	0.34	3 years
January 21, 2022	Bonus Issue	Other than Cash	3,12,000	3,60,000	10	N.A.	4.31	2.55	3 years
TOTAL (C)			3,60,000				04.98	02.94	

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

11. None of our Promoters, Promoters Group, Directors and their relatives have purchased or sold the equity share of our company during the past six months immediately preceding the date of filing Draft Prospectus;
12. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of the Draft Prospectus.

13. Lock in of Promoters:

- a) As per clause (a) Regulation 238 of the SEBI (ICDR) Regulations and in terms of the aforesaid table, an aggregate of 20.00 % of the post-Issue Equity Share Capital of our Company i.e. 24,47,5000 equity shares shall be locked in by our Promoter for three years. The lock-in shall commence from the date of allotment in the proposed public issue and the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. ("Minimum Promoters' contribution").

The Promoters' contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI ICDR Regulations. Our Company has obtained written consents from our Promoters for the lock-in of 24,47,000 Equity Shares for three years. The Equity Shares that are being locked in are not ineligible for minimum promoters contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018. In connection, we confirm the following.

- The equity shares offered for minimum 20% promoters contribution have not been acquired in the preceding three years before the date of draft prospectus for consideration other than cash and revaluation of assets or capitalisation of intangible assets is involved in such transaction nor resulted from a bonus issue by utilisation of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum promoters' contribution;
- The minimum promoters Contribution does not include Equity Shares acquired by our Promoters during the preceding one (1) year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue;
- The minimum promoters Contribution does not include Equity shares pledged with any creditor.

b) Equity Shares of Promoter locked-in for one year

In addition to 20.00% (24,47,000) of the post-Issue shareholding of our Company shall be locked-in for three years as the minimum Promoters' contribution, the balance Pre-Issue Paid-up Equity Share Capital i.e. 5,53,000 Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering as provided in clause (b) of Regulations 238 of SEBI (ICDR) Regulations, 2018.

14. Lock-in of securities held by persons other than the promoters:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly 42,33,750 Equity shares held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

15. Transferability of Lock-in securities:

- a) In terms of Regulation 243 of the SEBI (ICDR) Regulations,2018, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations,2018, may be transferred to another Promoters or any person of the promoter group or a new promoter or a person in control of the issuer company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.
- b) In terms of Regulation 243 of the SEBI (ICDR) Regulations,2018, the Equity Shares held by persons other than the Promoters' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations,2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

16. Other requirements in respect of 'lock-in'

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 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 financial company or a housing finance company as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations,2018, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;
 - If the specified securities are locked-in in terms of clause (b) of Regulation 238 of the SEBI (ICDR) Regulations,2018, and the pledge of specified securities is one of the terms of sanction of the loan.
17. In terms of regulations 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms the securities issued in dematerialized form then the lock-in is recorded by the depository.
 18. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
 19. All the Equity Shares of our Company are fully paid up equity shares as on the date of the Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
 20. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.
 21. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to

our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.

22. 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 LM and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines
23. As per RBI regulations, OCBs are not allowed to participate in this Issue.
24. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
25. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
26. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
27. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
28. Our Promoter and the members of our Promoter Group will not participate in this Issue.
29. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
30. Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of filing Prospectus with the Registrar of Companies and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
31. None of our Key Managerial holds any Equity Shares in our Company.
32. As on date of this Draft Prospectus, our Company have 13 Shareholders.

SECTION IV - PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The issue comprises of Initial Public Offer of 50,00,000 Equity Shares by our Company aggregating up to ₹4000.00 Lakhs (“Initial Issue”).

Our Company proposes to utilize the Net Proceeds from the issue towards the following objects:

1. Acquire partnership firm M/s Polychem Exports
2. Working Capital
3. General Corporate Purposes

(Collectively referred to as “Objects”)

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Fresh Issue.

Net Proceeds

The details of the proceeds of the issue are summarized in the table below:

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
3.	Gross proceeds from the issue	4000.00
4.	Less: Issue related expenses	40.00
Net proceeds of the issue		3960.00

Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
4.	Acquire partnership firm M/s Polychem Exports	2100.00
5.	Working Capital	890.00
6.	General Corporate Purposes	970.00
Total utilization of net proceeds		3960.00

The fund requirements mentioned above are based on internal management estimates of our Company and have not been verified by the lead manager or appraised by any bank or financial institution or any other external agency. Given the dynamic nature of our business and our Company, we may have to revise the estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In addition, the estimated dates of completion of various plans as described herein are based on management’s current expectations and are subject to change due to various factors, some of which may not be in our control.

In the event of 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 shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “Risk Factors” beginning on page. 13 of this Draft Prospectus.

Schedule of implementation and Deployment of Net Proceeds

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

(₹ In lakhs)

Sr. No.	Particulars	Total estimated costs	Amount already deployed	Estimated utilization of net proceeds in FY 2021-2022	Estimated utilization of net proceeds in FY 2022-2023
1.	Acquire partnership firm M/s Polychem Exports	2100.00		2100.00	-
2.	Working Capital	890.00	-	0.00	890.00
3.	General Corporate Purposes	950.00	-	970.00	-
	Total	3940.00	-	3070.00	890.00

¹The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue.

Means of Finance

In the event of a shortfall in raising the requisite capital from the Net Proceeds, towards meeting the objects of the Issue, the extent of the shortfall will be met by internal accruals or debt. In case of any surplus of monies received in relation to the Fresh Issue, we may use such surplus towards general corporate purposes.

We confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI of the SEBI ICDR Regulations 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the issue.

DETAILS OF THE OBJECTS OF THE ISSUE

1. Acquiring partnership firm M/s Polychem Exports

M/s Polychem Exports, a partnership firm was formed in the year 1994 for carrying out the business of trading of Textile Dyes, Intermediaries, solvents, Resin, Chemicals and Auxiliaries. The partnership deed was amended in 2008, 2016 and 2020 due to retirement and admission of the partners. The present partners of the firm are (1) Rameshchand Chanduram Bhatia (2) Bharat Brijlal Bhatia (3) Rajeshkumar Liladhar Bhatia (4) Ravi Ashok Bhatia. The financial Performance of the Partnership firm for the past three years and for the stub period ended on January 31, 2022 is as follow.

Balance Sheet

(₹ In Lacs)

Particulars	31.01.2022	31.03.2021	31.03.2020	31.03.2019
Liability Side				
Partner's capital	1088.73	495.79	393.78	463.72
Secured Loans	4538.92	4635.12	3851.21	3793.38
Unsecured loans	1053.95	1049.68	1140.41	1446.86
Current liabilities	4517.13	4466.41	7044.06	9447.16
Provisions	24.18	12.47	16.55	25.85
Total	11222.91	10659.47	12446.01	15176.97
Assets Side				
Fixed Assets	11.43	10.95	6.45	7.01
Inventories	2240.97	2488.58	2508.80	1766.20
Sundry debtors	8298.05	7045.20	8809.76	12737.09
Cash and Bank Balances	338.45	317.55	289.06	271.39
Loans and Advances	334.01	797.19	831.94	395.28
Total	11222.91	10659.47	12446.01	15176.97

Profit and Loss Account

(₹ In Lacs)

Particulars	31.01.2022	31.03.2021	31.03.2020	31.03.2019
Turnover	8345.62	5574.07	10222.11	15627.90
Other Income	15.56	20.79	20.63	17.91

Total	8361.18	5594.86	10242.74	15645.81
Cost of Goods Sold	7651.47	4870.72	9503.19	14903.66
Operating Expenses	8.66	5.88	6.90	6.68
Sales and Administration Expenses	157.53	151.17	202.00	183.08
EBDIT	543.51	567.08	530.64	552.38
Interest	506.44	537.58	482.25	480.73
Depreciation	0.00	1.46	1.16	1.24
Profit Before Tax	37.07	28.04	47.23	70.41
Taxation	11.70	9.65	15.10	23.72
Profit after Tax	25.37	18.39	32.13	46.69

The partnership firm is doing trading of Dyes and Intermediates, Yarn and Plastic granules. Due to Covid-19, the turnover of the Firm was reduced substantially. The business of the current year has started picking up and for the 10 months the firm had achieved turnover of Rs 8345.62 lacs. The Company has decided to acquire the business of the partnership firm. The Company has decided to acquire the Partnership firm running business by making the payment of Rs 2100.00 Lacs for acquiring the running business of partnership firm

The partners (1) Rameshchand Chanduram Bhatia (2) Bharat Brijlal Bhatia (3) Ravi Ashok Bhatia are also the promoter directors of the Company and they are to be interested in selling the partnership firm to the Company.

details of the form of investment	The amount of ₹ 2100.00 lakhs will be paid to acquire the running business of the firm
If the form of investment has not been decided, a statement to that effect	Not Applicable
If the investment is in debt instruments, complete details regarding rate of interest, nature of security, terms of repayment, subordination, etc.;	Not Applicable
Nature of benefit expected to accrue to the issuer as a result of the investment	The running business will be taken over by the Company and the earning from the said established business will benefit to the Company.

2. Working capital

The company had taken over the business of Ravi Chem which is doing trading activity of Dyes and Intermediates. One of the object of the Company for the public issue is also to taken over the running business of M/s Polychem Exports. Both the firms are enjoying working Capital limit from the banks. The Working capital requirement of the Company in the FY 2022-23 is on the basis of the past combined working capital requirement of both the firms which is going to be run by the Company. The additional working capital is required for the growth of business.

The total working capital requirement of the Company in the FY 2022-23 will be ₹ 6589.52 lacs. The working capital requirement will be met through the borrowings from the banks and the fund raised through the Public issue.

Particulars	F.Y. 2022-23	Holding period (in days)	Justification of holding period.
Current Assets			
Inventory	3082.19	75	The holding period is considered after the calculating holding period of Ravi Chem and Polychem Export of last three years. However in calculation the Period of FY 2020-21 was not considered because it is unusual year due to Covid-19 and business

			was affected badly
Trade Receivables	11917.81	290	The credit period given to the customers is considered after the calculating holding period of Ravi Chem and Polychem Export of last three years. However in calculation the Period of FY 2020-21 was not considered because it is unusual year due to Covid-19 and business was affected badly
Short Term Loans and Advances	1065.00		
Cash and Bank Balance	500.00		
Total Currents Assets (A)	16565.00		
Less: Current Liabilities			
Trade Payables	9955.48	255	The credit period obtained from the suppliers is considered after the calculating holding period of Ravi Chem and Polychem Export of last three years. However in calculation the Period of FY 2020-21 was not considered because it is unusual year due to Covid-19 and business was affected badly
Short Term Provisions	20.00		
Total Current Liabilities (B)	9975.48		
NET WORKING CAPITAL REQUIREMENTS (A-B)	6589.52		
Funding Pattern			
Working Capital from Bank	4000.00		
Balance by capital, unsecured loans and internal cash accruals	1699.35		
Balance funding through IPO	890.17		
Say	890.00		

For further details on the existing working capital requirement and funding for the same, please refer **the chapters titled “Restated Financial Statement”** beginning on page no.90 of this Draft Prospectus.

3. General Corporate Purposes

In terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be used for general corporate purposes is estimated not to exceed 25.00% of the proceeds of the issue.

Our management will have flexibility in applying ₹ 970.00 lakhs of the Net Proceeds towards general corporate purposes, including but not restricted to financing working capital requirements, capital expenditure, acquiring business premises, meeting exigencies etc or any other purpose as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company from time to time.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹40.00lakhs. The expenses of this include, among others, underwriting and lead manager fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated issue expenses are as follows:

Activity	Estimated expenses (₹ in lakhs)	As a % of total estimated issue related expenses	As a % of Gross Issue Size
Lead Manger Fees including Underwriting Commission.	25.00	62.50	0.63
Brokerage, selling commission and upload fees	2.00	5.00	0.05
Registrar to the Issue	1.00	2.50	0.03
Legal Advisors	1.00	2.50	0.03
Advertising and marketing expenses	2.00	5.00	0.05
Regulators including stock exchanges	5.00	12.50	0.05
Printing and distribution of issue stationary	1.00	2.50	0.03
Others (Market Making fees, Restated Accounts etc.)	3.00	7.50	0.08
Total estimated issue related expenses	40.00	100.00	1.00

Notes

- The fund deployed up to February 18, 2022 is ₹ 35,625/- towards issue expenses vide certificate dated February 22, 2022 having UDIN : 22136712ADJUFW6080 received from M/s DSI & Co. Chartered Accountants.
- 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)	₹ 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)	₹ 10 per application on wherein shares are allotted
Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank	₹10 per application on wherein shares are allotted
Sponsor Bank shall be payable processing fees on UPI application processed by them	₹ 5 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 Issue Price

Interim use of Net Proceeds

Our Company in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. The Net Proceeds pending utilization for the purposes described above, in accordance with the SEBI ICDR Regulations, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

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 Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus which are proposed to be repaid from the Net Proceeds.

Appraisal Report

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

Monitoring Utilization of Funds

As this is a Fresh Issue for less than ₹ 10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

None of our suppliers / service providers for utilization of Issue proceeds for various Objects of the Issue are associated in any manner with our Company or any other related party directly or indirectly.

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

Other Confirmation

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

BASIS FOR ISSUE PRICE

The Issue Price of ₹80/- per Equity Share is determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is ₹10.00/- per Equity Share and Issue Price is ₹80/- per Equity Share. The Issue Price is 8.00 (Eight) times the face value.

Investors should refer sections / chapters titled “Risk Factors”, “Financial Statements”, “Management Discussion and Analysis of Financial Condition and Results of Operations” and “Business Overview” beginning on page 13, 90, 110 and 60 respectively of this Draft Prospectus to get an informed view before making an investment decision.

The trading price of the Equity shares of our Company could decline due to risk factors and you may lose all or part of your investments.

Qualitative Factors

Some of the Qualitative Factors, which form the basis for computing the price was

- Experienced Promoters
- Inorganic growth by the Company
- Established business is taken over by the Company

For further details, please refer to the paragraph titled “Our Competitive Strengths” in the chapter titled “Business Overview” beginning on page 60 of this Draft Prospectus.

Quantitative Factors

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

1) Basic and Diluted Earnings Per Share (EPS)

Year ended	Basic and Diluted EPS
EPS as on February 18, 2022	1.43

*Not Annualized

Note. Basic and Diluted EPS = Net Profit (Loss) after tax as restated attributable to Equity Shareholders / weighted average no of equity shares outstanding during the year as per restated financials.

2) Price to Earnings (P/E) ratio in relation to Issue Price ₹80.00/- per Equity Share of ₹10.00/- each fully paid up

Particulars	P/E ratio
P/E ratio based on Basic and diluted EPS as at February 18, 2022*	55.90

*Not Annualized

3) Return on Net worth (RoNW)

Return on Net Worth (RoNW) as per restated financial statements (Standalone)

Year Ended	RONW (%)
February 18,2022*	2.12

*Not Annualized

Note: Return on Network has been calculated as per the following formula:

- 1) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.

- 2) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

4) Net Asset Value (NAV)

Particulars	₹ per share
Net Asset Value per Equity Share as of February 18,2022	23.04
Net Asset Value per Equity Share after IPO	46.32
Issue Price	80

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

$$\text{NAV} = \frac{\text{Net worth excluding revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year}}$$

5) Comparison with industry peers

The listed chemical company are big chemical companies and we believe that there is no other listed company which is specifically comparable with our business model.

For further details, please refer section titled “*Risk Factors*” beginning on page 13 of this Draft Prospectus and the financials of the Company including important profitability and return ratios, as set out in the section titled “*Financial Statements*” beginning on page 90 of this Draft Prospectus to have more informed view about the investment proposition. The Face Value is ₹ 10.00/- per Equity Share and the Issuer Price ₹ 80.00/- has been determined by the Issuer in consultation with the Lead Manager and is justified by the company in consultation with the Lead Manager on the basis of above information.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Bhatia Colour Chem Limited
Plot No. A/2/12, Road No. 1 Udhna Udhyog Nagar,
Udhna, Surat – 394210, Gujarat.

Dear Sir,

Sub: Statement of Possible Special Tax Benefits available to Bhatia Colour Chem Limited (“the Company”) and its shareholders prepared in accordance with the requirements in Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“SEBI ICDR Regulations”)

We hereby report that the enclosed annexure, prepared by the management of the company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 read with Income Tax Rules, Circulars, Notifications (‘Act’) as amended by the Finance Act, 2021, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. 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. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India.

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

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

- A. the Company or its shareholders will continue to obtain these benefits in future; or
- B. the conditions prescribed for availing the benefits have been/would be met.
- C. The revenue authorities/court will concur with the views expressed herein

The contents of the enclosed annexure 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 and the provisions of the tax laws.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views, consequence to such change. We shall not be liable to Company for 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 conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

This report including enclosed annexure is intended for your information and for inclusion in the Draft Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For, DSI & Co.
Chartered Accountants
ICAI FRN No.: 127226W

Sd/-
CA Eric Kapadia
Partner
Mem. No: 136712
UDIN: 22136712ADIDKH5870

Place: Surat
Date: February 22, 2022

ANNEXURE

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

Outlined below are the possible special tax benefits available to Company and its shareholders under Tax Act 1961("the Act") presently in force in India.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

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

Note:

- The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.
- The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Lead Manager or any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.

Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Prospectus, including the information in the sections "Risk Factors" and "Financial Statements" on pages 13 and 90, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 13. Accordingly, investment decisions should not be based on such information.

TEXTILE AUXILIARIES MARKET – GLOBAL INDUSTRY ANALYSIS:

Textile Auxiliaries Market was valued US\$ 9.52 Bn. in 2020 and is expected to reach US\$ 12.70 Bn by 2027, at a CAGR of 4.2% during a forecast period.

The report study has analyzed revenue impact of covid-19 pandemic on the sales revenue of market leaders, market followers and disrupters in the report and same is reflected in our analysis

The Textile Auxiliaries are used for washing and dyeing of yarns and fabrics. The auxiliaries are formulated in the forms of cationic, non-ionic, surfactants and amphoteric. Textile chemicals are widely used by textile processing industry for dyeing and processing of textiles to get the final end product with required characteristics.



Textile Auxiliaries Market Dynamics:

The technology development in the textile printing and fabric dyeing processes are expected to drive the market growth during the forecast period. An increase in the consumer's demand is expected to witness significant effect for the textile chemicals industries. In addition, a consumer shift towards environmental friendly chemicals, development of packaging industries and the demand for home furnishing products, which require large textile chemicals are some of the prominent factors behind the growth of the global textile auxiliaries market. On the other hand, presence of substitutes and lack of skilled person to obtain the product via different process are limiting the global textile auxiliaries market growth. Also, presence of natural textile auxiliaries and fluctuation in the raw material cost are expected to hamper the market growth.

Textile Auxiliaries Market Segment analysis:

By product type, dyeing & printing application segment is projected to grow at a constant rate. Rapid growth in the fabric production and high acceptance of textile products by the growing population is expected to increase the demand for textile auxiliaries. Textile auxiliaries included various chemical components, which are used for functioning at different stages of fabric production. Key textile auxiliaries contains pre-treatment agents, dyeing agents, printing agents, finishing agents, and spinning and weaving agents auxiliaries that are expected to enhance the quality of fabric materials, with the durability.

Apparel segment is expected to contribute XX% share in the global textile auxiliaries market. The demand for sports and activewear is expected to drive the market growth. The auxiliary textile chemicals are help to prevent odor and bacterial infection caused by the clothing like undergarments, socks, T-shirts, and other sports apparel. A consumer preference for fashion and customization are increasing the apparel sales. Customizing apparel products according to the consumer requirements delivers a high potential for the apparel key players to increase the bottom line of business.

Textile Auxiliaries Market Regional Analysis:

Regionally, Asia Pacific is expected to dominate the textile auxiliaries market and is expected to grow at CAGR of XX % during the forecast period. Developing regions like India, China, and Japan are major contributors for the textile auxiliaries market growth in the Asia Pacific region. An increase in consumer disposable income coupled with the adoption of casual clothing is expected to increase the clothing demand. India is the second largest exporter of textiles. The strict environmental regulations in China have forced several dye manufacturers to shut down their plants, which are expected to enable the Indian key players to penetrate the international market. The government initiatives are encouraging the country's textile production.

The objective of the report is to present a comprehensive analysis of the Global Textile Auxiliaries Market including all the stakeholders of the industry. The past and current status of the industry with forecasted market size and trends are presented in the report with the analysis of complicated data in simple language. The report covers all the aspects of the industry with a dedicated study of key players that includes market leaders, followers and new entrants. External as well as internal factors that are supposed to affect the business positively or negatively have been analyzed, which will give a clear futuristic view of the industry to the decision-makers.

The report also helps in understanding Global Textile Auxiliaries Market dynamics, structure by analyzing the market segments and project the Global Textile Auxiliaries Market size. Clear representation of competitive analysis of key players by Application, price, financial position, Product portfolio, growth strategies, and regional presence in the Global Textile Auxiliaries Market make the report investor's guide.

Scope of Textile Auxiliaries Market:

Global Textile Auxiliaries Market			
Report Coverage	Details		
Base Year:	2020	Forecast Period:	2021-2027
Historical Data:	2016 to 2020	Market Size in 2020:	US \$ 9.52 Bn.
Forecast Period 2021 to 2027 CAGR:	4.2%	Market Size in 2027:	US \$ 12.70 Bn.
Segments Covered:	by Product Type	• Pre-Treatment Agents	

		<ul style="list-style-type: none"> • Dyeing & Printing Agents, • Finishing Agents • Softening Agents • Anti-Foaming Agents • Knitting & Weaving • Odour Absorbers • Corrosion Inhibitors • Spin Finish • Others
	by Application	<ul style="list-style-type: none"> • Automotive Textiles • Home Furnishings • Apparel Industries • Technical Textiles • Digital Printing • Other

(Source: <https://www.maximizemarketresearch.com/market-report/global-textile-auxiliaries-market/63608/>)

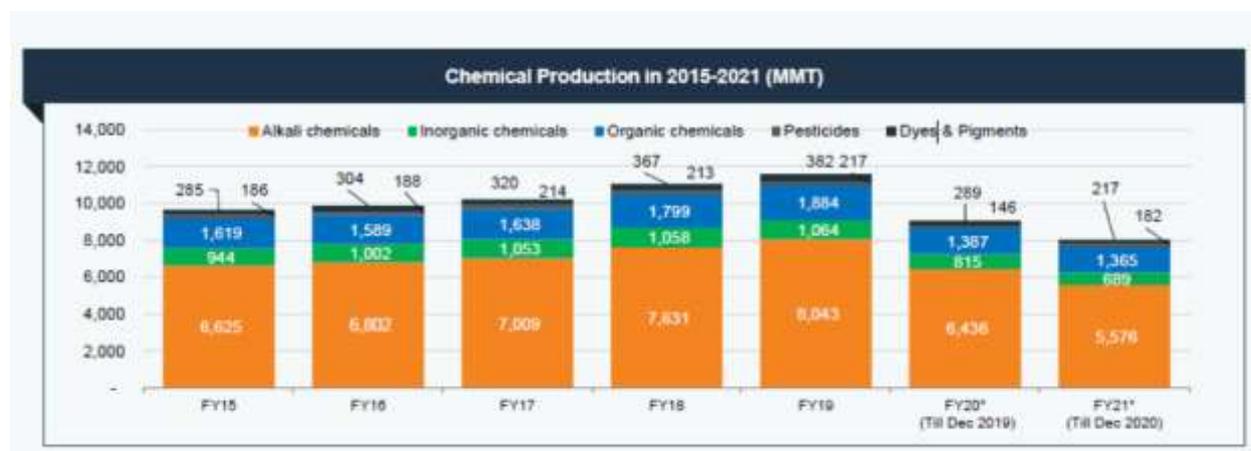
SUMMARY ON CHEMICAL & DYES INDUSTRY IN INDIA:

India's chemicals industry is de-licensed, except for few hazardous chemicals. In the Indian chemical industry, alkali chemicals have the largest share with ~69% in the total production; production of polymers accounts for ~59% of the total production of basic key petrochemicals in 2019. The chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025.

Indian manufacturers have recorded a CAGR of 11% in revenue between FY15 and FY21, increasing India's share in the global specialty chemicals market to 4% from 3%, according to the Crisil report. A revival in domestic demand and robust exports will spur a 50% YoY increase in the capex of specialty chemicals manufacturers in FY22 to ₹ 6,000-6,200 crore (US\$ 815-842 million). Revenue growth is likely to be 19-20% YoY in FY22, up from 9-10% in FY21, driven by recovery in domestic demand and higher realisations owing to rising crude oil prices and better exports.

Insecticides share 53% of the total domestic agrochemicals market, followed by Herbicides. Agrochemicals are the key revenue component of India, which exports 50% of its total production. Petrochemicals consumption stood at 22 million tonnes in 2019-20, out of which 16.5 million tonnes was polymer products.

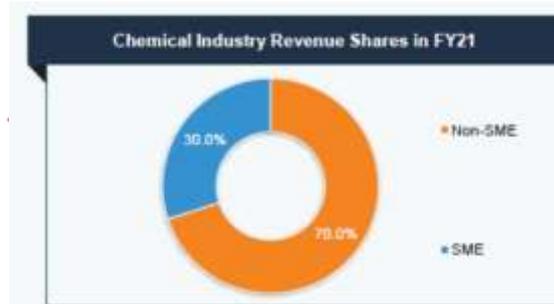
Chemicals industry in India covers >80,000 commercial products. India's chemicals industry is de-licensed, except for a few hazardous chemicals. Specialty chemicals constitute for 22% of the total chemicals and petrochemicals market in India. Demand for specialty chemicals is expected to register 12% CAGR in 2019-22. Specialty chemical companies are seeking at import substitutions while exploring export opportunities to accelerate their business. The Indian dyes and pigments market is projected to reach US\$ 63 billion by 2022, accounting for about 16% of the global dye production.



Alkali chemicals accounted for 69.45% of the total chemical production from April to December 2020. (Source: <https://www.ibef.org/download/Chemicals-September-2021.pdf> and <https://www.ibef.org/industry/chemicals-presentation>)

GOVERNMENT SUPPORT & MARKET GROWTH OF CHEMICAL & DYES INDUSTRY IN INDIA:

- In December 2020, India witnessed unrealised growth potential in agrochemicals and is focusing on developing new products and judiciously using pesticides. Despite decreasing demand for polymers due to COVID-19 pandemic, India is likely to witness growth to ~32 million tonnes from 2020 to 2030.
- India is a global supplier of dye, accounting for ~16% of the global production of dyestuffs and dye intermediaries. India has strong presence in the exports market in the sub segment of dyes, pharmaceuticals and agrochemicals. The country exports dyes to Germany, the UK, the US, Switzerland, Spain, Turkey, Singapore and Japan. The Indian dyes and pigments market is projected to reach US\$ 63.0 billion by 2022.
- The domestic chemicals sector's small and medium enterprises are expected to showcase 18-23% revenue growth in FY22, owing to an improvement in domestic demand and higher realisation due to high prices of chemicals.
- The country ranks 14th in export and 8th in import of chemicals worldwide. In September 2021, exports of organic and inorganic chemical exports increased 29.65% YoY to reach US\$ 2.37 billion.
- In the chemical sector, industrial licensing and 100% FDI, under the automatic route, are allowed with exception to few hazardous chemicals. Total FDI inflow in the chemicals (other than fertilisers) sector reached US\$ 18.06 billion between April 2000 and September 2020.
- Indian companies are witnessing interest from strategic investors led by Japan, Korea and Thailand, as they seek to diversify supply chains from China
- The Indian Government supports the Industry through research & development and initiatives such as reducing basic customs duty on several imported products and promoting the 'Make in India' campaign.
- A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters.
- Under the Union Budget 2021-22, the government allocated ₹ 233.14 crore (US\$ 32.2 million) to the Department of Chemicals and Petrochemicals.
- The Government of India is considering launching a production linked incentive (PLI) scheme in the chemical sector to boost domestic manufacturing and exports.



(Source: <https://www.ibef.org/download/Chemicals-September-2021.pdf> and <https://www.ibef.org/industry/chemicals-presentation>)

EXPORTS & IMPORT BY INDIAN MARKET IN CHEMICAL & DYES INDUSTRY

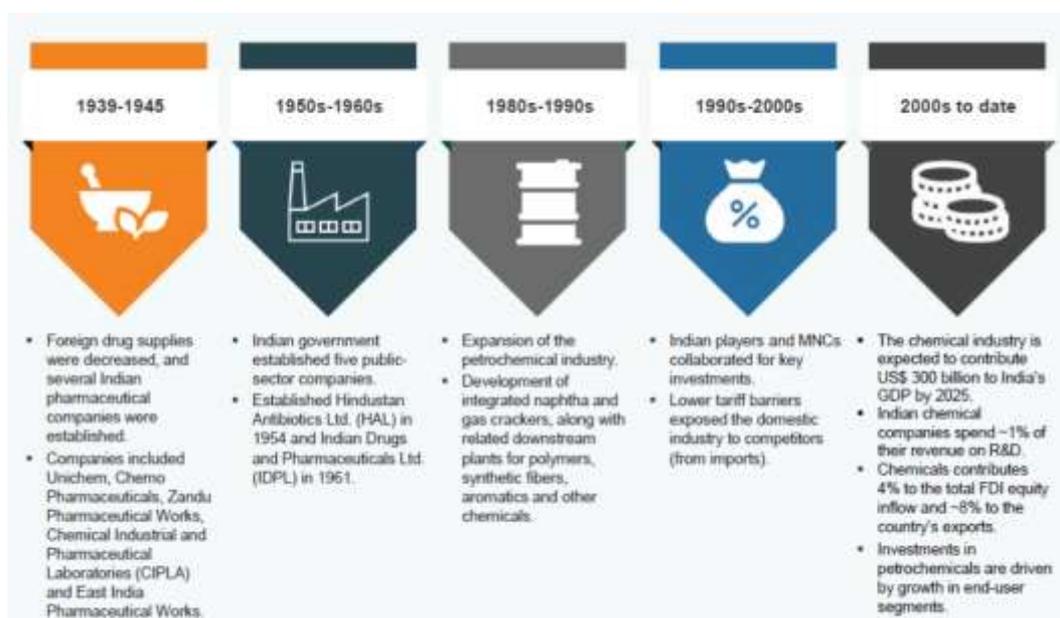
India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at global level (excluding pharmaceuticals). The chemicals industry in India covers more than 80,000 commercial products with overall market size standing at US\$ 178 billion in 2018-19. The industry is expected to grow at 9.3% to reach US\$ 304 billion by 2025 on the back of rising demands in the end-user segments for specialty chemicals and petrochemicals. In July 2021, production volumes of key chemicals stood at 909,310 MT and petrochemicals at 1,867,351 MT. The specialty chemicals sector is expected to reach US\$ 40 billion by 2025.

In July 2021, exports of organic and inorganic chemicals increased 28.46% YoY to reach US\$ 2.42 billion. In July 2021, imports of organic and inorganic chemicals increased 42.95% YoY to reach US\$ 3.36 billion. For petrochemicals, imports of petroleum and crude products decreased 10.6% YoY to reach US\$ 9,581.85 million in December 2020.



Source: <https://www.ibef.org/download/Chemicals-September-2021.pdf> and <https://www.ibef.org/industry/chemicals-presentation>)

EVOLUTION OF CHEMICAL SECTOR INDUSTRY IN INDIA:



Indian Chemical & Dyes Summary:

Global Position:

- Globally, India is the third largest consumer of polymers, fourth-largest producer of agrochemicals and sixth-largest producer of chemicals.
- The Indian chemicals industry makes up 3.4% of the global chemicals industry.
- In 2019, the Indian chemicals market stood at US\$ 178 billion and is forecast to reach US\$304 billion by 2025.

Highly Diversified:

- The Indian chemicals industry is highly diversified, covering >80,000 products and employing >2 million people.
- A network of 200 national laboratories and 1,300 R&D centres provides a strong base to the Indian chemical industry to drive innovations.
- The chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025.

Strong Growth in Specialty Chemicals:

- The Indian specialty chemicals sector is expected to increase at a CAGR of 12.4%, from US\$ 32 billion in 2019 to an estimated US\$ 64 billion by 2025.
- Also, ICRA's (Investment Information and Credit Rating Agency of India Limited) ratings indicate improved exports and a positive outlook for agrochemicals and surfactants.

Largest Global Dye Supplier:

- India is the second-largest manufacturer and exporter of dyes and accounts for ~16% of the world production.
- According to the Basic Chemicals, Cosmetics & Dyes Export Promotion Council, the export value of dye in India stood at US \$2.3 billion as of FY21.

Key industries driving growth**1. Automotive**

Disruption in automotive sector with the emergence of autonomous driving, connected cars, electric vehicles and shared mobility will affect the value chain of Indian chemical companies supplying chemicals to automotive applications.

2. Water Treatment

Increasing urbanisation and population is driving the demand for safe drinking water. Moreover, rising awareness of hygiene among the people is leading to excessive water consumption.

3. Textile, Flavours & Fragrances

India has witnessed increasing demand for wide range of cosmetic chemicals, health care products and hygiene products that use specialty chemicals, polymers and oleo chemicals. This segment is likely to outperform other segments.

4. Construction

'Smart City' projects by the Indian government are driving growth of chemical companies in India. Availability of essential raw materials at low cost is anticipated to increase demand for construction chemicals.

(Source: <https://www.ibef.org/download/Chemicals-September-2021.pdf>)

BUSINESS OVERVIEW

The following information is qualified in its entirety by and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled “Risk Factors” on page 13 of this Draft Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “Risk Factors” and the chapters titled “Restated Financial Statement” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no 13, 90 and 110 of this Draft Prospectus.

In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Our” and “Bhatia” are to M/s. Bhatia Colour Chem Limited. Unless stated otherwise, the financial data in this section is as per our Restated financial statements prepared in accordance with Indian Accounting Standards set forth in the Draft Prospectus.

OVERVIEW

Company Background

Our Company was originally incorporated as 'Bhatia Colour Chem Limited'* under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated December 10, 2021 bearing Corporate Identification Number U24290GJ2021PTC127878 issued by the Registrar of Companies, Central Registration Center. Subsequently, our Company filed the forms of conversion to change the CIN of the Company from “PTC” to “PLC” pursuant to a special resolution passed by our shareholders at the EGM held on January 21, 2022 and consequently the name of our Company was remain same as “Bhatia Colour Chem Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated February 10, 2022. The CIN of the Company is U24290GJ2021PLC127878.

*Upon Incorporation of the Company it was found that although the name and constitution of the company is of a Public Limited Company but the CIN of the company was U24290GJ2021PTC127878. Hence, it was ascertained that instead of PLC the CIN of the company is issued as PTC by CRC, Manesar. Upon analyzing it was found that the category of the company during Incorporation was marked as private limited company in the documents filed for incorporation of the Company. Though the Company was incorporated as a Public Limited Company, the Ministry of Corporate Affairs has allocated the CIN of the Private Limited (PTC). In order to rectify the above discrimination, the members of the Company had passed the special resolution in General Meeting held on January 21, 2022 in this regards and requested Registrar of Companies, Ahmedabad to correct the aforesaid anomaly.

Initially Lt. Mr. Brijlal Bhatia has started proprietorship named “Bhatia Colour Company.” in the 1975 with the intention of trading of dyes and chemicals. In 1985 one of our Promoter Mr. Rameshchand Bhatia has joined the hand of Lt. Mr. Brijlal Bhatia in the same business. After spending decade in the trading of dyes and chemicals Lt. Mr. Brijlal Bhatia has decided to start manufacturing of dyes and chemicals with the help of our Promoter Mr. Rameshchand Bhatia. Mr. Rameshchand Bhatia and Lt. Mr. Brijlal Bhatia had jointly and gradually expanded the business in the late 90's. Due to their hard work and expertise in the field of dyes and chemicals they had imprint their name in the manufacturing of Chemicals, Dyes and Auxiliaries products along with the good quality and specialised solutions to each customer in the Indian market.

In the 2000 year, Mr. Bharat Bhatia, Promoter of the Company joined the business. With the help of his academic knowledge and expertise to understand the product requirement as per the contemporary era, they have started new partnerships & proprietorships for the various range of products and different services. In the 2006, when Mr. Ravi Bhatia, Promoter of the Company joined the hands of the existing promoters and started new proprietorship named “Ravi Chem” for the trading of Chemicals, Dyes and Auxiliaries products. Promoters has started manufacture, distributions and sells of all types of organic, inorganic chemicals, by-products compounds of dyes and any other kind of chemical, mixtures, to the customers. By the time promoters had undertaken job works, refine process, formulation process and conversion contracts along with manufacturing and trading.

In the November, 2021 the Promoters have joined their hand to establish corporate culture rather running proprietorships & partnerships individually. On December 10, 2021 Mr. Bharat Bhatia, Mr. Rameshchand Bhatia & Mr. Ravi Bhatia, Promoter's of the Company jointly started the Bhatia Colour Chem Limited and establish the corporate culture for the joint business. They also decided to merger many of their existing proprietorships & partnerships in the Company and expand the business with the established corporate brand name. Currently Company is in trading& manufacturing of Chemicals, Dyes and Auxiliaries products. We produce finished Textile Auxiliaries& Chemicals by mixing basic Textile Auxiliaries& Chemicals with our standardised formulation of chemicals with the help of stirrers. We produce Foil Binders, Printing Inks and Zari Binders in our Company with the variety of ranges and specialisation as per the demand of the client. Our main strength of the products are our formulation of chemicals and quality maintenance. We being trader of Dyes and Auxiliaries products, supply's our products to mainly the processing house of the textile industries for the printing of the textile. Our products are mainly useful for the printing on Textile materials like Polyester & Cotton which includes, ambos on T shirts, Zari Prints and shading.

On January 15, 2022, our Company has taken over the Business together with all its assets and liabilities of the "M/s Ravi Chem", proprietorship of Mr. Ravi Bhatia, Promoter of our Company. For the takeover of the existing business of "Ravi Chem", the Company has paid ₹ 5,00,00,000 (Rupee Five Crore only), which comprises of the consideration towards re-payment of secured loans to the Banks and NBFCs aggregating to ₹ 3,27,99,336/- and the balance consideration towards the capital of proprietor pursuant to the taking over of the running business of the existing entity. The balance/excess amount if any that may arise consequent upon the precise working of capital of the proprietor of the existing entity it shall either be paid to or received from the Existing Entity by the company other than stated above our Company neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation since Incorporation.

The financial performance of the "M/s Ravi Chem"

Particulars	Amount (₹ in Lacs)		
	January 14, 2022	2020-21	2019-20
Sales	3901.07	2857.18	4872.37
Other Income	00.13	-	-
Total Income	3901.20	2857.18	4872.37
Net Profit	16.59	34.25	55.28
Owner's Fund	167.93	226.59	216.35
Secured Loan	332.07	453.91	421.28

On account of Covid 19, the business of the Proprietorship Business was affected and the turnover was reduced to ₹ 2857.18 lacs in the FY 2020-21 from ₹ 4872.37 lacs in FY 2019-20. i.e reduction of 41.35 %. For the period ended on January 14, 2022, the proprietorship firm had recovered the business and the turnover was increased to Rs 3901.07 lacs. Looking to the all points, The Company had decided to take over the proprietorship business and hopeful to enhance the business

Our Products:

Textile Auxiliaries

The Textile Auxiliaries are specially used for washing and dyeing of yarns and fabrics. These auxiliaries are formulated for textile products in the forms of cationic, non-ionic, surfactants and amphoteric. These auxiliaries find usage in textile industries for dyeing, finishing, printing and sizing fabric applications. Textile auxiliaries' chemicals, commonly called as the dyeing auxiliaries are formulated chemical compounds which are used in various operational processes in a textile. It is formulated chemicals used for, dyeing, printing, and effectively completing the manufacturing process to get the desired effect

It is an essential product which is essential for a textile industry because it helps in the preparation of the substrate, which is used for colouration. It is also used for stabilization of the medium of application, plays a major role in increasing the fastness property of dyeing and modification of the substrates.

We are manufacturing the Foil Binders of different specifications as per the requirements of the processing houses. The product manufactured by us are innovative and compete with the market on the price range. The quality of our product is accepted by the processing houses and they got desired results by using our product

satisfactorily, on account of that, we have developed cordial relation with the customers and got repetitive orders.

Value Added Printing Products

By looking at the revolution in the textile industries, in our Company, we manufacture the Value Added Printing Products by way of dyes and chemical for the textile industry.

The Value Added Printing Products involves below mentioned products:

- Value Added Printing
- Glitter Powder

COVID-19

The major impact of COVID-19 has been on the production segment of the Indian textiles industry. With rampant government-mandated textile factory closures all across the India, as they for these do not fall under the category of 'essential' goods and services. The Indian textile sector has been one of the worst hit sector due to Covid-19. One of the foremost immediate effects of COVID-19 on the Indian textiles industry has been the slump in sales due to widespread mandatory show room closures. With sellers and potential customers following strict social distancing norms, the most proximate impact of this crisis has been on the overall sales of textiles and clothing. Our products are used in textile industry, our business was also reduced substantially due to Covid-19.

Our Competitive Strength

Experienced Promoters with sound market knowledge

Our promoter Mr. Rameshchand Bhatia has more than three decades of experience and Mr. Bharat Bhatia & Mr. Ravi Bhatia has more than One and Half decade of experience in the trading and manufacturing of Chemicals, Dyes and Auxiliaries products. Their relations with suppliers and customers are excellent. Marketing Strategy and management acumen have been useful in implementing the growth strategy. We get the benefit from the experience of the promoter and core management team.

Specialized in developing and marketing of value added printing products

The Company has also developed the value added printing products for getting better value realization. The new shades are developed after doing research and development work and also provide glitter powder to be with the textile revolution. The glitter powder is mainly useful for the fancy T-Shirt work. The promoters are associated with other partnership firms and they have in-house Laboratory for research and development work. The Company will get the benefit of research work and develop value added product.

Research and Development

The Company has R&D team and they, with their knowledge, develop various dyes and auxiliaries and also guide the customers on the products. Our promoters are providing special facilities to clients by fulfilling their requirements with colours, embosses and glitter shades which are not easily available in the market. The Promoter arranges the Master batch (Colour Chips) for unique colours to their customers.

Cordial relations with Customers.

The promoters are surat based and mainly supply the material to the process house in and around Surat. The easy access to the promoters by the client and immediate solution of their problems by the Company develop cordial relations with customers. The customer centric approach of the promoters is one of the key factor for the development of the business of the Company.

Our Business Strategy.

Geographical expansion

The Company at present is doing business in and around Surat only. The Company is planning to expand its business activities in not only Gujarat but also in other states of India.

In organic growth

The Company has decided to do inorganic growth and in that direction the company had taken the running business of M/s Ravi Chem, a proprietary concern of the one of the director of the Company. One of the objects of the Initial public offer is also to take another partnership firm of the Promoters. The object of the takeover is to gain access to new markets through successful acquisitions.

Improve Operational efficiencies

Our growth will depend upon the improvement of the operational efficiencies. The improvement of operational efficiency will enhance the profitability of the Company. We intend on implementing various measures to improve our operational efficiencies, including undertaking measures to reduce our consumption of disposable items and avoid wastage. We intend to maximize our operational efficiency by achieving greater integration and by implementing a stronger supply chain management.

SWOT Analysis:

<p>Strength</p> <ul style="list-style-type: none"> • More than two decades experience of the Promoter in the line of activity • Sound customer base • Excellent relations with customers. 	<p>Weakness</p> <ul style="list-style-type: none"> • Limited geographical area of Operations • Family Owned unit. • Lack of professionalism.
<p>Opportunity</p> <ul style="list-style-type: none"> • Develop new Composition of Products. • Geographical Expansion 	<p>Threats</p> <ul style="list-style-type: none"> • Tough competition • Low margin business

PLANT, MACHINERY, TECHNOLOGY, PROCESS ETC.

Our manufacturing activity includes mixing of various raw materials. The unit is equipped with all required machineries to achieve the targeted production of various textile auxiliaries.

Collaborations, any Performance guarantee or assistance in marketing by the Collaborators

Our Company has not entered into any collaboration, or Performance guarantee or assistance for marketing with any Company.

INFRASTRUCTURE FACILITIES:

Location

Registered Office and Factory:

Plot No. A/2/12, Road No. 1, Udhana, Udyog Nagar Sangh, Surat-394 210.

WATER:

Water is required for the drinking, sanitation and manufacturing purpose. Water supply requirement is being fulfilled through water supplied by Municipal Corporation and borewell facility available in factory premises. For drinking water, we have water purifier in the office premises.

POWER:

Our factory power connection of 38 KW from Daxin Gujarat Vij Compnay Limited (DGVCL). In case of power failure from DGVCL, the D.G. (Diesel Generator) Sets are activated and the power supply system automatically switches to D.G. within a few seconds. The Company had got the DG set while takeover the assets and liabilities of the M/s Ravi Chem, a proprietorship firm .

HUMAN RESOURCES:

Human resource is an asset to any industry, sourcing and managing is very important task for the management. We believe that our employees are the key to the success of our service.

As on January 31, 2022, we have the total strength of permanent employees in various departments. The details of which is given below:

Sr. No.	Particulars	Employees
1)	Workers	28
2)	Marketing Staff	02
3)	Office Staff	15
	Total	45

We have not experienced any major strikes, work stoppages, labour disputes or actions by or with our employees and we have good and cordial relationship with our employees.

MARKETING AND DISTRIBUTION ARRANGEMENT:

We have establishment in the market more than 30 years and over the years developed excellent relationship with our clients and many industry players in Surat which would enable the company to tap the market.

We have team of dedicated Marketing Staff, who visits the processing houses, understands their requirements and explain the composition of our products. On account of that, the products of the Company sale easily in the Market. The team is also verifying the reviews and understand the acceptance of our product in hand of our customers.

Our Company has always focused on meeting the requirement of our clients and providing them maximum support in terms of timely delivery. Our success lies in the strength of our relationship with our customers and suppliers who have been associated with our promoters for a long period.

We plan our sales strategically well in advance. We are continuously involved in the market survey and closely monitor the industry and other economic factors which influence our sales. We maintain impending relationship with our customers which enable us to forecast the demand of the material. Our management team is continually involved in the market research about the development of new products which would enable the company to tap the market early.

COMPETITION

The Industry in which Company operates is highly competitive. Competition emerges not only from organized sector but also from the unorganized sector and from both small and big regional, National and International players. In adverse and competitive market scenario also, we are able to maintain our growth steadily due to our quality of finished auxiliaries product & supply of products with specified requirements. Our experience in this business has enabled us to provide quality products in response to customer's demand for best quality

CAPACITY AND CAPACITY UTILISATION:

The manufacturing process involved blending of various materials and mix them. The company had been recently incorporated and taken over the existing plant and machinery from M/s Ravi Chem, a Proprietary concern. The capacity and capital utilisation is not applicable in our case,

INTELLECTUAL PROPERTY RIGHTS:

As on date of the Draft prospectus we do not own our trademark.

Details of Immovable Property:

The details of the Leased property is given below:

Leased Property:

Particulars	Details
Name of the Parties (Licensor)	Bharat Wire Ind.
Name of the Parties (Licensee)	On behalf of Bharat Colour Chem Limited- Director, Mr. Ravi Bhatia, Mr. Bharat Bhatia & Mr. Rameshchand Bhatia
Description of Property	Plot No. A/2/12, Road No.1, Udhana, Udhyog Nagar Sangh, Surat – 394 210.
Date of agreement	December 22, 2021
Duration of Agreement	From 01/12/2021 to 31/10/2022
Consideration Paid	₹ 1,10,000/- per month
Deposit Amount	Nil
Usage	Registered office and Factory
Area (Approx)	2625sq.fts

Insurance

Particulars	Details
Name of the Insurance Company	The New India Assurance Co. Ltd.
Name of Insured	Ravi Chem (Proprietor: Ravi Bhatia) (taken Over by Bhatia Colour Chem Limited)*
Policy No	23040046210100000172
Type of Policy	Burglary
Validity Period	19/09/2021 to 18/09/2022
Premium Paid (Rs)	₹ 4,720 /-
Sum Insured	₹ 4,00,00,000/-
Insured Address	Plot No. A/2/12, Road No.1, Udhana, Udhyog Nagar Sangh, Surat – 394 210.

Particulars	Details
Name of the Insurance Company	The New India Assurance Co. Ltd.
Name of Insured	Ravi Chem (Proprietor: Ravi Bhatia) (taken over by Bhatia Colour Chem Limited)
Policy No	23040011218000001107
Type of Policy	Fire Policy (All types of dyes and chemicals and yarns)
Validity Period	19/09/2021 to 18/09/2022
Premium Paid (Rs)	₹ 90,860 /-
Sum Insured	₹ 4,00,00,000/-
Insured Address	Plot No. A/2/12, Road No.1, Udhana, Udhyog Nagar Sangh, Surat – 394 210.

KEY INDUSTRY REGULATIONS AND POLICIES

The statements produced below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions and may not be exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain.

We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled “Government and Other Approvals” beginning on page no. 117 of this Draft Prospectus. The following description is a summary of the few relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India.

INDUSTRYSPECIFIC REGULATIONS

Code on Wages, 2019

The Code on Wages, 2019 amalgamate, simplify and rationalise the relevant provisions of the following four central labour enactments relating to wages, namely, (a) The Payment of Wages Act, 1936; (b) The Minimum Wages Act, 1948; (c) The Payment of Bonus Act, 1965; and (d) The Equal Remuneration Act, 1976. The Code on Wages, 2019 is an Act to amend and consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. The Code received the assent of the President of India on August 8, 2019 and is published in the official gazette. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

The salient features of the Code on Wages, 2019, inter alia, are as follows:

- (a) It provides for all essential elements relating to wages, equal remuneration, its payment and bonus;
- (b) The provisions relating to wages shall be applicable to all employments covering both organised as well as un-organised sectors;
- (c) It enables the appropriate Government to determine the factors by which the minimum wages shall be fixed for different category of employees. The factors shall be determined taking into account the skills required, the arduousness of the work assigned, geographical location of the workplace and other aspects which the appropriate Government considers necessary;
- (d) The provisions relating to timely payment of wages and authorised deductions from wages, which are presently applicable only in respect of employees drawing wages of twenty-four thousand rupees per month, shall be made applicable to all employees irrespective of wage ceiling. The appropriate Government may extend the coverage of such provisions to the Government establishments also;
- (e) It provides for floor wage for different geographical areas so as to ensure that no State Government fixes the minimum wage below the floor wage notified for that area by the Central Government;

THE OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS CODE 2020

Occupational Safety, Health and Working Conditions Code, 2020 is an Act to consolidate and amend the laws regulating the occupational safety, health and working conditions of the persons employed in an establishment.

The code amalgamate, simplify and rationalise the relevant provisions of the following thirteen Central labour enactments relating to occupation, safety, health and working conditions of workers, namely, 1. The Factories Act, 1948; 2. The Plantations Labour Act, 1951; 3. The Mines Act, 1952; 4. The Working Journalists and other Newspaper Employees (Conditions of Service and Miscellaneous Provisions) Act, 1955; 5. The Working Journalists (Fixation of Rates of Wages) Act, 1958; 6. The Motor Transport Workers Act, 1961; 7. The Beedi and Cigar Workers (Conditions of Employment) Act, 1966; 8. The Contract Labour (Regulation and Abolition) Act, 1970; 9. The Sales Promotion Employees (Condition of Service) Act, 1976; 10. The Inter-State Migrant

workmen (Regulation of Employment and Conditions of Service) Act, 1979; 11. The Cine Workers and Cinema Theatre Workers Act, 1981; 12. The Dock Workers (Safety, Health and Welfare) Act, 1986; and 13. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Code received the assent of the President of India on September 28, 2020 and is published in the official gazette. The Code extends to the whole of India and covers all employees and workers whether in the organised, unorganised or any other sector.

The salient features of the Occupational Safety, Health and Working Conditions Code, 2020 inter alia, are as under:

- (a) to make provision of "common license" for factory, contract labour and beedi and cigar establishments and to introduce the concept of a single all India license for a period of five years to engage the contract labour;
- (b) The provisions of the Code is applicable for all establishments having ten or more workers, other than the establishments relating to mines and docks;
- (c) to provide the concept of "one registration" for all establishments having ten or more employees. However, for the applicability of all other provisions of the Code in respect of factories, except registration, the threshold has been fixed twenty workers in a factory (with power) and forty workers (without power);
- (d) it provides for issuing of appointment letter mandatorily by the employer of an establishment to promote formalisation in employment;
- (e) it provides free of cost annual health check-ups for employees above the specified age in all or certain class of establishments by which it would be possible to detect diseases at an early stage for effective and proper treatment of the employees;
- (f) to make the provisions relating to Inter-State Migrant Workers applicable on the establishment in which ten or more migrant workers are employed or were employed on any day of the preceding twelve months and also provide that a Inter State Migrant may register himself as an Inter-State Migrant Worker on the portal on the basis of self-declaration and Aadhaar;
- (g) it provides provisions relating to employ women in all establishments for all types of work. They can also work at night, that is, beyond 7 PM and before 6 AM subject to the conditions relating to safety, holiday, working hours and their consent;
- (h) to make provision for Social Security Fund for the welfare of unorganised workers;

THE CODE ON SOCIAL SECURITY, 2020

Code on Social Security, 2020 is an Act to amend and consolidate the laws relating to social security with the goal to extend social security to all employees and workers either in the organised or unorganised or any other sectors.

Code On Social Security, 2020, amalgamate, simplify and rationalise the relevant provisions of the following nine central labour enactments relating to social security, namely, (i) The Employees' Compensation Act, 1923;(ii) The Employees' State Insurance Act, 1948;(iii) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;(iv) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;(v) The Maternity Benefit Act, 1961;(vi) The Payment of Gratuity Act, 1972;(vii)The Cine Workers Welfare Fund Act, 1981; (viii) The Building and Other Construction Workers Welfare Cess Act, 1996; and (ix) The unorganised Workers' Social Security Act, 2008. The Code received the assent of the President of India on September 28, 2020 and is published in the official gazette.

The salient features of the Code on Social Security, 2020, inter alia, areas under:

- (a) it provides for registration, electronically or otherwise, of every establishment to which the Code applies, within such time and in such manner as the Central Government may by rules determine. It further provides for an option for cancellation of registration by any establishment whose business activities are in the process of closure.
- (b) It provides for constitution of various social security organisations for the administration of the Code, namely, (a) the Central Board of Trustees of the Employees' Provident Fund (Central Board),(b) the Employees' State Insurance Corporation (Corporation), (c) the National Social Security Board for Unorganised Workers (National Social Security Board), (d) the State Unorganised Workers' Social Security Board and (e) the State Building Workers Welfare Boards.

- (c) to empower the Central Government to frame schemes for unorganised workers, gig workers and platform workers and the members of their families for providing benefits relating to Employees' State Insurance Corporation;
- (d) it provides the provisions for maternity benefits such as prohibition from work during certain periods, provision of nursing breaks, crèche facility, claim for maternity benefits, etc.
- (e) it provides for registration of every unorganised worker, gig worker or platform worker on the basis of self-declaration electronically or otherwise, along with such documents including Aadhaar number.

THE INDUSTRIAL RELATIONS CODE, 2020

Industrial Relations Code, 2020 is an Act to consolidate and amend the laws relating to Trade Unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial disputes. Industrial Relation Code 2020 amalgamate, simplify and rationalise the relevant provisions of (a) the Trade Unions Act, 1926; (b) the Industrial Employment (Standing Orders) Act, 1946; and (c) the Industrial Disputes Act, 1947. The Code received the assent of the President of India on September 28, 2020 and is published in the official gazette.

The salient features of the Industrial Relations Code, 2020, inter alia, are as follows:

- (a) it defines “workers” which includes the persons in supervisory capacity getting wages up to eighteen thousand rupees per month or an amount as may be notified by the Central Government from time to time;
- (b) it provides for fixed term employment with the objective that the employee gets all the benefits like that of a permanent worker (including gratuity), except for notice period after conclusion of a fixed period, and retrenchment compensation. The employer has been provided with the flexibility to employ workers on fixed term basis on the basis of requirement and without restriction on any sector;
- (c) to revise the definition of “industry” that any systematic activity carried on by co-operation between the employer and workers for the production, supply or distribution of goods or services with a view to satisfy human wants or wishes (not being wants or wishes which are merely spiritual or religious in nature) with certain exceptions;
- (d) the code brings concerted casual leave within the ambit of the definition of strike;
- (e) It provides framework to prohibit strikes and lock-outs in all industrial establishments without giving notice of fourteen days;
- (f) to set up a re-skilling fund for training of retrenched workers.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act, 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWWPPR Act”) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWWPPR Act defines “Sexual Harassment” to include any unwelcome sexually determined behavior (whether directly or by implication). “Workplace” under the SHWWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWWPPR Act requires an employer to set up an “Internal Complaints Committee” at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a “Local Complaint Committee” at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act, 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED

The Gujarat Shops and Establishments act of 1948

The Gujarat Shops and Establishments act of 1948, takes a holistic approach while dealing with Shops and Establishments, it takes into consideration of every situation wherein the employer is placed, thus accordingly designing the provisions for him/her to smoothly run his/her establishment. It also takes into its view sight the conditions of the employees and it makes an attempt to safeguard their rights. Thus all in all the Gujarat Shops and Establishments act is a very balanced legislation that takes into consideration the rights and conditions of both the employer and the employee.

The Gujarat State Tax on Professions, Traders, Callings and Employments Rules, 1976

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujarat promulgated this law to structure and formulate the respective professional tax criteria and to collect funds through professional tax. The professional tax is charged on the income of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under this Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Pursuant to Notification No. (GHN-10)PFT-2008-S.3(2)(3)-TH, issued by the Finance Department of Sachivalaya, Gandhinagar, dated 01.04.2008, the Government of Gujarat have specified the rates in column 3, 4 and 5 of the schedule of the Act, as minimum rates which shall be levied by the respective Designated Authorities for the class of person specified in column 2 of schedule of the Act.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

General Laws

Competition Act, 2002 (“Competition Act”)

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to ₹ 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs vide its notification dated September 12, 2013 has notified 98 sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. Further 183 sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Indian Stamp Act, 1899

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not 'duly stamped' cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court.

The Negotiable Instruments Act, 1881 (“NI Act”)

In India, the laws governing monetary instruments such as cheques are contained in the “NI Act”, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, and with fine which may extend to twice the amount of the cheque, or with both.

The Trade Marks Act, 1999

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trademark 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. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the government to amend the Trademark 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.

The Patents Act, 1970

The Patents Act, 1970 (“**Patents Act**”) governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the

above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of the application for the patent.

The Copyright Act, 1957

The Copyright Act, 1957 (“**Copyright Act**”) governs copyright protection in India. Under the Copyright Act, a copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes *prima facie* evidence of the particulars entered therein and may expedite infringement proceedings. Once registered, copyright protection of a work lasts for a period of sixty years from the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which amounts to an infringement of copyright.

TAX RELATED LEGISLATIONS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for taxation of person resident in India on global income and person not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its Return by September 30 of each assessment year

Goods & Service Tax (“GST”)

Gujarat Goods and Services Tax Act, 2017

Central Goods and Services Tax Act, 2017

The Integrated Goods and Services Tax Act, 2017

Goods and Services Tax (GST) is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST shall be levied as Dual GST separately but concurrently by the Union (central tax - CGST) and the States (including Union Territories with legislatures) (State tax - SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament would have exclusive power to levy GST. (integrated tax - IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. Besides, some goods and services would be under the list of exempt items.

Other Indian laws

In addition to the above, our Company are also governed by the provisions of the Companies Act and rules framed there under, relevant central and state tax laws, foreign exchange and investment laws and foreign trade laws and other applicable laws and regulation imposed by the central and state government and other authorities for over day to day business, operations and administration.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as “Bhatia Colour Chem Limited”* under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated December 10, 2021 bearing Corporate Identification Number U24290GJ2021PTC127878 issued by the Registrar of Companies, Central Registration Center. Subsequently, our Company filed the forms of conversion to change the CIN of the Company from “PTC” to “PLC” pursuant to a special resolution passed by our shareholders at the EGM held on January 21, 2022 and consequently the name of our Company was remain same as “Bhatia Colour Chem Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated February 10, 2022. The CIN of the Company is U24290GJ2021PLC127878.

*Upon Incorporation of the Company it was found that although the name and constitution of the company is of a Public Limited Company but the CIN of the company was U24290GJ2021PTC127878. Hence, it was ascertained that instead of PLC the CIN of the company is issued as PTC by CRC, Manesar. Upon analyzing it was found that the category of the company during Incorporation was marked as private limited company in the documents filed for incorporation of the Company. Though the Company was incorporated as a Public Limited Company, the Ministry of Corporate Affairs has allocated the CIN of the Private Limited (PTC). In order to rectify the above discrimination, the members of the Company had passed the special resolution in General Meeting held on January 21, 2022 in this regards and request Registrar of Companies, Ahmedabad to correct the aforesaid anomaly.

Business and Management

For a description of our activities, services, technology, the growth of our Company and regional geographical segment in which our Company, please refer to chapters titled “Business Overview”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 60, 54, and 110 of this Draft Prospectus, respectively. For details of the management and managerial competence of our Company, please refer chapter titled “Our Management” on page 75 of this Draft Prospectus.

Changes in Registered Office

The registered office of the company is situated at Plot No. A/2/12, Road No. 1, Udhana, Udyog Nagar Sangh, Surat, Gujarat – 394 210 since incorporation.

Main Objects as set out in the Memorandum of Association of the Company

The Main object clause of the Company as per Memorandum of Association is as under:

1. To take over the business of M/s Ravi Chem.
2. To buy, sell, export, import, production, manufacture undertake job work, conversion contracts, produce, refine, process formulate or otherwise deal in all types of organics and inorganic chemicals, specialty chemicals, fine chemicals, chemical elements and compounds including laboratory and scientific chemicals of any nature used or capable of being used in the dyes and intermediates industries, pharmaceutical industry and all other types of industries, agricultural chemicals, fertilizers, pesticides, industrial chemicals or any mixtures, derivatives, by products and compounds.

Amendments to the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since its inception:

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars
1.	December 22, 2021	EGM	Clause 5 of the MoA was amended to reflect the increase in authorized share capital of ₹ 15,00,000/- divided into 1,50,000 Equity Shares of ₹ 10/- each was increased to ₹ 12,00,00,000/- divided into 1,20,00,000 Equity shares of ₹10/- each.
2.	February 21, 2022	EGM	Clause 5 of the MOA was amended to reflect the increase in authorized share capital of ₹ 12,00,00,000/- divided into 1,20,00,000 Equity Shares of ₹10/- each was increased to ₹

			12,50,00,000/- divided into 1,25,00,000 Equity shares of ₹10/- each.
--	--	--	--

MAJOR EVENTS, KEY AWARDS, ACCREDITATIONS OR RECOGNITION OF OUR COMPANY

Year	Events
2021-22	Acquisition of “Ravi Chem”, Proprietorship of Mr. Ravi Bhatia

Acquisition or divestments of business/undertakings, mergers and amalgamations

Our Company has taken over the Business together with all its assets and liabilities of the “M/s Ravi Chem”, proprietorship of Mr. Ravi Bhatia, Promoter of our Company.

The said takeover agreement has been take place on January 15, 2022. For the takeover of the existing business of “Ravi Chem”, the Company has paid ₹ 5,00,00,000/- (₹ Five Crore only), which comprises of the consideration towards re-payment of secured loans to the Banks and NBFCs aggregating to ₹ 3,32,07,021/- and the balance consideration towards the capital of proprietor pursuant to the taking over of the running business of the existing entity. The balance/ excess amount if any that may arise consequent upon the precise working of capital of the proprietor of the existing entity it shall either be paid to or received from the Existing Entity by the company Other than stated above our Company neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation since Incorporation.

Strategic Partners

Our Company is not having any strategic partner as on the date of filing this Draft Prospectus.

Financial Partners

Our Company is not having any financial partner as on the date of filing this Draft Prospectus.

Time and Cost Overruns

As on the date of this Draft Prospectus, there have been no time and cost overruns pertaining to our business operations.

Launch of key products or services, Capacity and Capacity Utilisation, entry in new geographies or exit from existing markets

For details pertaining to our services, capacity and capacity utilisation, entry in new geographies or exit from existing markets, please refer chapter titled “Business Overview” on page 60 of this Draft Prospectus.

Injunctions or Restraining Orders

As on the date of this Draft Prospectus, there are no injunctions or restraining orders against our Company.

Changes in the activities of our Company in the last Five years

There is no change in activity of our Company since incorporation.

Defaults or rescheduling of borrowings of our Company with Financial Institutions/Banks

There have been no defaults or rescheduling of borrowings with any financial institutions/banks or conversion of loans into equity in relation to our Company as on the date of this Draft Prospectus.

Revaluation of assets

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares by capitalizing any revaluation reserves.

Subsidiaries and Holding Company:

Our Company neither has a Holding company nor has any Subsidiaries Company as on the date of this Draft Prospectus.

Joint Ventures

Our Company has not entered into any joint-ventures as on the date of this Draft Prospectus.

Shareholders' Agreements

Our Company has not entered into any shareholders agreement as on the date of this Draft Prospectus.

Other Agreements

Our Company has not entered into any agreements other than those entered into in the ordinary course of business except takeover of the running business of the Director Ravi Bhatia with Key Managerial Personnel or Directors or Promoters or any other employee of the issuer, either by themselves or on behalf of any other person and there are no material agreements before the date of this Draft Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

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

Name, Father's Name, Address, Date of Birth, Age, Designation, Status, DIN, Occupation and Nationality	Other Directorships
<p>Name: Bharat Brijlal Bhatia Father's Name: Brijlal Bhatia Address: 105, Pooja Abhishek Apartment, Near Lal Banglows, Athwalines, Surat - 395007, Gujarat D.O.B & Age : November 06, 1978 (43 Years) Designation : Managing Director Status : Executive & Non Independent Director DIN : 09095082 Occupation : Business Nationality : Indian Term : 5 Years (effective from January 21, 2022 to January 20, 2027) Original Date of Appointment: December 10, 2021 as the First Director of the Company</p>	BNM Infra Private Limited
<p>Name : Rameshchand Chanduram Bhatia Father's Name: Chanduram Bhatia Address : 105-106, Pooja Abhishek Apartment, Near Lal Banglows, Athwalines, Surat -395007, Gujarat D.O.B & Age: July 20, 1957(64 Years) Designation : Whole Time Director Status : Executive & Non Independent Director DIN : 09431185 Occupation : Business Nationality : Indian Term: 5 Years (effective from January 21, 2022 to January 20, 2027) Original Date of Appointment: December 10, 2021 as the First Director of the Company</p>	-
<p>Name : Ravi Ashokkumar Bhatia Father's Name: Ashokkumar Bhatia Address : B-1002, Swaar Sangini, Opp. Bhagwan Mahavir College, Behind GEB Office, VIP Road, Vesu, SVR College, Surat -395007, Gujarat D.O.B & Age : January 21, 1979 (43 Years) Designation : Whole Time Director Status : Executive & Non Independent Director DIN : 09431186 Occupation : Business Nationality : India Term: 5 Years (effective from January 21, 2022 to January 20, 2027) Original Date of Appointment: December 10, 2012 as the First Director of the Company</p>	-
<p>Name : Nevil Pramesh Soni Father's Name: Pramesh Hasmukhlal Soni Address : 2nd Floor, 14 Jay Gayatri Society, Opp. Umasut Flat, Vasna, Ahmedabad - 380007 D.O.B & Age : January 02, 1992 (30 years) Designation : Independent Director Status : Non Executive Director DIN : 08206415 Occupation : Professional Nationality : Indian Term: 5 Years w.e.f. from February 21, 2022) Original Date of Appointment: February 21, 2022</p>	-

<p>Name : Rutu Milindbhai Sanghvi Father's Name: Hitesh Rajnikant Shah Address : 11, Samay Flat, Opp Anjali b.r.t.s. Bus stand, Vasna, Paldi, Ahmedabad - 380007 D.O.B &Age : October 10, 1991 (30 years) Designation : Independent Director Status : Non Executive Director DIN : 09494473 Occupation : Professional Nationality : Indian Term : 5 Years w.e.f. from February 21, 2022) Original Date of Appointment: February 21, 2022</p>	-
<p>Name : Insiya Qaidjohar Nalawala Father's Name: Qaidjohar Hatimbhai Nalawala Address : 2993/1, Hilltop Appartment, Husami Mohalla, Dahod -389151 D.O.B &Age : June 07, 1996 (25 years) Designation : Independent Director Status : Non Executive Director DIN : 08436102 Occupation :Professional Nationality : Indian Term : 5 Years w.e.f. from February 21, 2022) Original Date of Appointment: February 21, 2022</p>	

Confirmations

As on date of this Draft Prospectus

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

Family Relationship between the Directors

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

Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Draft Prospectus.

Service Contracts

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel are entitled to any benefits upon termination of employment.

Borrowing Powers of the Board

The Articles, subject to the provisions of Section 180(1)(c) of the Act authorizes the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a special resolution passed at the Extra-ordinary General Meeting held on January 21, 2022, in accordance with Section 180(1)(c) of the Act authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed ₹ 500.00 Crores.

Brief Profiles of Our Directors

Bharat Bhatia, aged 43 years, is the Promoter and Managing Director of the Company. He passed Diploma in Chemical Engineering from Maharashtra State Board of Technical Education. After completion of his curriculum, he directly joined his father's chemical and dyestuffs business in the 1998. He holds more than 2 decade experience in the same line of business. He is a niche in product development, R&D and marketing and is passionate in this field. Currently, he is looking for product development and marketing of our Company.

Rameshchand Bhatia, aged 64 years, is the Promoter and Whole Time Director of the Company. He has experience of more than 44 years in Chemical Industry. He has good knowledge in Research and Development in chemical and dyestuffs field, he examines the viability of new products very minutely. Currently, he is looking after all the laboratory work under his personal supervision in our Company. He also looks after the training of the staff for skilled work and exercise due care for Internal Control and Smooth Administration of the Organization and also look the Finance and sales department of the Company.

Ravi Bhatia, aged 43 years, is the Promoter and Whole Time Director of the Company. He has completed his second year in Bachelor of Commerce from the Mumbai University. He has experience of more than 21 years in the field for Product Development and Marketing under the leadership of Mr. Brijlal Bhatia and Mr. Rameshchand Bhatia. With his upright eloquence and principled Public Relation Development skills he can easily maintain good relations with all our Dealers and suppliers. He is also looking for administrative area of our Company along with formulation and implementation of HR policy in the organization.

Nevil Soni aged 30Years, is an Independent Director of Our Company. He has completed his professional Degree of Certified Public Accountant (CPA), USA. He holds bachelor degree in commerce from the Gujarat University and Inter CA from the ICAI. He has started his career in the Audit, Accounts and Taxation of Indian entities with the Practicing Chartered Firm. He is having 10 years of experience in the Finance Field. After completion of his CPA, USA, he got the experience to work with the global organisations and industries. Currently, he is serving as an Audit and Assurance Manager in the global outsource accounting company (CPA Firm). In his services, he is managing all stages of finance audits, review and compilation engagements. His financial knowledge and understanding of the industrial regulation can help the Company in many areas.

Rutu Sanghavi aged 30 Years, is an Independent Director of Our Company. She has completed her Bachelor Degree in the Commerce and LL.B. (Spl) from the Gujarat University, she also holds professional certificate from Institute of Company Secretaries of India. She has more than 7 years of experience in the field of Company Secretary. In the beginning of her career, she served some of organisations as a designated company secretary, later on she also developed his teaching career in the Company Secretary course. Her teaching career is just one side of the coin, as apart from being an academicians she is practicing company secretary associated with the Corporates, guiding and advising them in law related matters like Company Law, Securities Law and Labour Law.

Insiya Nalawala aged 25 Years, is an Independent Director of Our Company. She has completed her Bachelor Degree in Commerce and Bachelor degree in LLB from the Gujarat University, she also holds a professional certificate from Company Secretaries of India. She has more than 4 years of experience in the field of Finance and Law. She had served in a listed organisation as a designated company secretary. Currently, she is in practice in law related matters like Company Law, Securities Law and Labour Law.

Compensation of Managing Directors and/or Whole-time Directors

Terms and conditions of employment of our Managing Director:

Bharat Bhatia has been appointed as Managing Director of our Company in the Extra Ordinary General Meeting of the company held on January 21, 2022 for a period of Five (5) years commencing from January 21, 2022 to January 20, 2027.

The remuneration payable is as follows:

Name	Bharat Bhatia
Date of Agreement*	January 25, 2022
Period	5 years w.e.f January 21, 2022
Salary	₹ 2,00,000/- per month
Remuneration paid in FY 2020-21	Nil

Terms and conditions of employment of Whole Time Director:

Rameshchand Bhatia has been appointed as Whole Time Director of our Company in the Extra Ordinary General Meeting of the company held on January 21, 2022 for a period of Five (5) years commencing from January 21, 2022 to January 20, 2027.

The remuneration payable is as follows:

Name	Rameshchand Bhatia
Date of Agreement*	January 25, 2022
Period	5 years w.e.f January 21, 2022
Salary	₹ 2,00,000/- per month
Remuneration paid in FY 2020-21	Nil

Ravi Bhatia has been appointed as Whole Time Director of our Company in the Extra Ordinary General Meeting of the company held on January 21, 2022 for a period of Five (5) years commencing from January 21, 2022 to January 20, 2027.

The remuneration payable is as follows:

Name	Ravi Bhatia
Date of Agreement*	January 25, 2022
Period	5 years w.e.f January 21, 2022
Salary	₹ 1,00,000/- per month
Remuneration paid in FY 2020-21	Nil

*All other terms and conditions as mentioned in the Agreement may be inspected at the Registered Office between 10:00 a.m. and 05:00 p.m. (IST) on all Working Days from the date of this Draft Prospectus until the Issue Closing Date.

Payment or benefit to Independent Directors of our Company

Appointment of our Independent Directors take place on February 21, 2022. We have not paid any sitting fees to our Independent Directors till the date of Draft Prospectus.

Shareholding of Directors in our Company

The details of the shareholding of our Directors as on the date of this Draft Prospectus are as follows:

Sr. No.	Name of the Directors	No. of Equity Shares	Percentage of Pre-Issue Capital (%)
1.	Bharat Bhatia	13,20,000	18.25
2.	Rameshchand Bhatia	13,20,000	18.25
3.	Ravi Bhatia	3,60,000	4.99

4.	Nevil Soni	-	-
5.	Rutu Sanghvi	-	-
6.	Insiya Nalawala	-	-
Total		30,00,000	41.49

Interests of our Directors

All our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles.

Our Executive Directors are interested to the extent of remuneration payable to them pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company. Our Executive directors are interested in acquiring the Business of M/s Polychem Exports from the proceeds of the IPO.

The Directors are also members of the Company and are deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer “*Our Management - Shareholding of Directors in our Company*” beginning on page 75 of this Draft Prospectus.

Other than our promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business

Except as stated in the chapter “*Business Overview*” on page 60 of this Draft Prospectus and in the chapter “*Restated Financial Statement*” on page 90 none of our Directors have any interest in the property proposed to be acquired by our Company

Except as disclosed in the section titled in “*Restated Financial Statements*” on page 90, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

For details with respect to loan to directors, please refer to chapter titled “*Restated Financial Statement*” on page 90 of this Draft Prospectus.

Payment of benefits (non-salary related)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Prospectus or is intended to be paid or given to any of our Directors except the remuneration for services rendered.

Bonus or profit-sharing plan for the Directors

None of the Directors are party to any bonus or profit-sharing plan of our Company.

Changes in our Company’s Board of Directors Since Incorporation

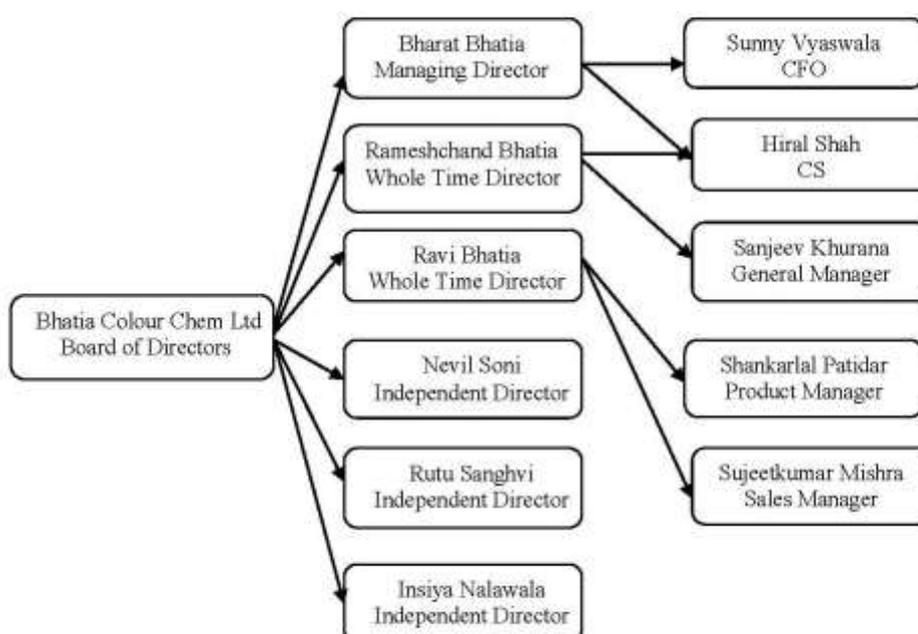
Following are the changes in the Board of Directors during the last three (3) years

Name of Directors / KMP	Date of Appointment / Regularization	Date of Change in Designation / Cessation	Reasons for changes in the Board
Bharat Bhatia	December 10, 2021	January 21, 2022	Change in Designation as a Managing Director of the company
Rameshchand Bhatia	December 10, 2021	January 21, 2022	Change in Designation as a Whole Time Director of the company
Ravi Bhatia	December 10,	January 21, 2022	Change in Designation as a Whole Time

Name of Directors / KMP	Date of Appointment / Regularization	Date of Change in Designation / Cessation	Reasons for changes in the Board
	2021		Director of the company
Nevil Soni	February 21, 2022	-	Appointed as a Non-Executive and Non Independent Director
Rutu Sanghvi	February 21, 2022	-	Appointed as a Non-Executive and Independent Director
Insiya Nalawala	February 21, 2022	-	Appointed as a Non-Executive and Independent Director

Management Organization Structure

The following chart depicts our Management Organization Structure



COMPLIANCE WITH CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013, with respect to the Corporate Governance, provisions of the SEBI Listing Regulations except 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 will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

Constitutions of Committees

Our Company has constituted the following committees:

1. Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on February 21, 2022 as per the applicable provisions of the Section 177 of the Act read with the

Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The constituted Audit Committee comprises following members.

Name of the Director	Position in Committee	Nature of Directorship
Rutu Sanghvi	Chairman	Independent Director
Nevil Soni	Member	Independent Director
Bharat Bhatia	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements. The scope and function of the Audit Committee and its terms of reference shall include the following:

Terms of reference:

Role of Audit Committee

The scope of audit committee shall include, but shall not be restricted to, the following:

1. Oversight of the company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Scrutiny of inter-corporate loans and investments.
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
7. 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;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
9. 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;
10. Discussion with internal auditors any significant findings and follow up there on;
11. 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;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
14. To review the functioning of the Whistle Blower mechanism, in case the same is existing;

15. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. Valuation of undertakings or assets of the company, where ever it is necessary.
18. Evaluation of internal financial controls and risk management systems;
19. Monitoring the end use of funds raised through public offers and related matters.
20. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on listed entity and its shareholders.

Review of information by Audit Committee

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. statement of deviations :
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulations 32(1).
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulations 32(7).

Powers of the Audit Committee:

The audit committee shall have the powers, which should include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated February 21, 2022. The constituted Stakeholders Relationship Committee comprises the following members:

Name of the Director	Position in Committee	Nature of Directorship
Rutu Sanghvi	Chairman	Independent Director
Nevil Soni	Member	Independent Director
Bharat Bhatia	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

Terms of Reference

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.,
- Issue duplicate/split/consolidated share certificates;
- Dematerialization/Rematerialization of Share
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- Such other matters as may from time to time are required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated February 21, 2022. The Nomination and Remuneration Committee comprises the following members:

Name of the Director	Position in Committee	Nature of Directorship
Insiya Nalawala	Chairman	Independent Director
Rutu Sanghvi	Member	Independent Director
Nevil Soni	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

The terms of reference:

- Formulation of 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;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidate . .
- Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- 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.
- recommend to the board, all remuneration, in whatever form, payable to senior management.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Our Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company

Profiles of our Key Managerial Personnel

The profile of Bharat Bhatia as a Managing Director, Rameshchand Bhatia and Ravi Bhatia as a Whole Time Director, Please refer chapter titled “Our Management - Brief Biographies of our Directors” on page 75 of this Draft Prospectus.

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

Name, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience	Remuneration paid In previous year (2020-21) (₹ in Lakhs)
Hiral Shah Company Secretary and Compliance Officer D.O.J- December 22, 2021	C.S.,B.com	-	-	-
Sunny Vyaswala Chief Financial Officer D.O.J- December 22, 2021	B.Com	Sakshi Yarns Pvt. Ltd.	14 years	-
Sanjeev Khuarana General Manager D.O.J- January 01, 2022	Bachelor of Textiles	VAP Chem	34 years	-
Shankarlal Patidar Product Manager D.O.J- January 01, 2022	-	VAP Chem	33 years	-
Sujeetkumar Mishra Sales Manager D.O.J- January 01, 2022	-	VAP Chem	29 years	-

Relationship amongst the Key Managerial Personnel of our Company

None of our directors and Key Managerial Personnel of our Company are related to each other.

Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

None of the above Key Managerial Personnel have entered into to any arrangement/ understanding with major shareholders/customers/suppliers as on the date of this Draft Prospectus

Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company does not have a profit sharing plans for the Key Management Personnel.

Shareholding of Key Management Personnel in our Company

None of our Key Managerial Personnel except Bharat Bhatia, Rameshchand Bhatia and Ravi Bhatia holds Equity Shares in our Company as on the date of filing of this Draft Prospectus. For further details, please refer to section titled “Capital Structure” beginning on page 33 of this Draft Prospectus

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

Name of KMP	Designation	Date of Event	Reason
Sunny Vyaswala	Chief Financial Officer	December 22,	Appointed as Chief Financial Officer

Name of KMP	Designation	Date of Event	Reason
		2021	
Hiral Shah	Company Secretary and Compliance Officer	December 22, 2021	Appointed as Company Secretary and Compliance Officer
Sanjeev Khurana	General Manager	January 01, 2022	Appointed as General Manager
Shankarlal Patidar	Product Manager	January 01, 2022	Appointed as Product Manager
Sujeetkumar Mishra	Sales Manager	January 01, 2022	Appointed as Sales Manager

For details with respect to the Changes in directors who are KMP, please refer to section titled “Changes in our Company’s Board of Directors during the last three (3) years” on page 75 of this Draft Prospectus.

Interest of Key Managerial Personnel

Except as disclosed in this Draft Prospectus, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration 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

Employee Stock Option or Employee Stock Purchase

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Prospectus

Payment of Benefits to of Our KMPs (*non-salary related*)

Except as disclosed in this Draft Prospectus other than any statutory payments made by our Company to its KMPs, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.

For further details, please refer section titled ‘*Restated Financial Statements*’ beginning on page 90 of this Draft Prospectus.

OUR PROMOTER AND PROMOTER GROUP

The Promoters of Our Company are : Bharat Bhatia, Rameshchand Bhatia and Ravi Bhatia

	<p>Bharat Bhatia, aged 43 years is the Promoter, Managing Director of our Company. Date of Birth: November 06, 1978 Personal Address: 105, Pooja Abhishek Apartment, Near Lal Banglows, Athwalines, Surat -395007, Gujarat Permanent Account Number : ABBPB7949P For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements, please refer chapter titled “<i>Our Management</i>” beginning on page no.75 of this Draft Prospectus.</p>
	<p>Rameshchand Bhatia, aged 64 years is the Promoter, Whole Time Director of our Company. Date of Birth: July 20, 1957 Personal Address: 105-106, Pooja Abhishek Apartment, Near Lal Banglows, Athwalines, Surat -395007, Gujarat Permanent Account Number: ABBPB7489G Educational qualifications: - For further details of his experience, positions / posts held in the past, directorships held and special achievements, please refer chapter titled “<i>Our Management</i>” beginning on page no.75 of this Draft Prospectus.</p>
	<p>Ravi Bhatia, aged 43 years is the Promoter, Whole Time Director of our Company. Date of Birth: January 21, 1979 Personal Address: B-1002, SwaarSangini, Opp. Bhagwan Mahavir College, Behind GEB Office, VIP Road, Vesu, SVR College, Surat - 395007, Gujarat Permanent Account Number: ABQPB9300B For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements, please refer chapter titled “<i>Our Management</i>” beginning on page no.75 of this Draft Prospectus.</p>

Confirmations

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

Other Confirmations

As on the date of this Draft Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters is not promoters and directors in any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority.

Our Promoters has neither been declared as a wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

For details pertaining to other ventures of our Promoters refer chapter titled “Financial Information of our Group Companies” beginning on page no. 119 of the Draft Prospectus.

Change in the management and control of the Issuer

There has not been any change in the management and control of our Company.

Interest of Promoters

Our Promoters is interested in our Company only to the extent of his respective Equity shareholding in our Company and any dividend distribution that may be made by our Company in the future. For details pertaining to our Promoter's shareholding, please refer to section titled ‘*Capital Structure*’ beginning on page no. 33 of this Draft Prospectus. Our Promoters may also be interested to the extent of providing personal guarantees for some of the loans taken by our Company. For further details, please refer chapters titled “Restated Financial Statements” on page 90, respectively of this Draft Prospectus.

Our Promoters and members of Promoter Group do not have any interest in any property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the Draft Prospectus. Our Promoters do not have any interest in any transaction in the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements except the agreement made on January 15, 2022. For the takeover of the existing business of “Ravi Chem”, the Company has paid ₹ 5,00,00,000/- (Rupee Five Crore only) as consideration.

Further, our Promoters is also partners and Karta of HUF entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group entities and vice versa. No sum has been paid or agreed to be paid to him or to such firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a Director or for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company. For the payments that are made by our Company to certain Promoter Group entities, please see the section “Related Party Transactions” on page no.105 of the Draft Prospectus

Payment of benefits to our Promoter

Except as stated in the section “Related Party Transactions” on page no.105 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Draft Prospectus.

Disassociation of Promoter in the Last Three Year:

Our Promoter has not been disassociated himself from any company in the preceding three years.

Our Promoter Group

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

A. Natural persons who are part of our Promoter Group

Promoters: Bharat Bhatia, Rameshchand Bhatia and Ravi Bhatia

Relationship with promoter	Name of Relative		
Promoter	Bharat Bhatia	Rameshchand Bhatia	Ravi Bhatia*
Father	Lt. Brijlal Bhatia	Lt. Chanduram Bhatia	Lt. Ashok Bhatia
Mother	Madhu Brijlal Bhatia	Lt. Shiladevi Bhatia	Kamini Bhatia
Spouse	Sonal Bhatia	Reena Bhatia	
Brother	-	Brijlal Bhatia	-
Sister	Priti Brijlal Bhatia	Pushpa Kiran Parekh	Mona Rajesh Bhatia Kavita Samar Bhatia

Son	Aditya Bhatia Aarav Bhatia	Dhaval Bhatia	Daksh Bhatia
Daughter	-	Mitali Zameer Kocher Disha Deven Patel	-
Spouse's Father	Shailendra Bhatia	Chanderbhan Bhatia	
Spouse's Mother	Renu Bhatia	Pushpa Parekh	
Spouse's Brother	Shubham Bhatia	Vivek Bhatia	
Spouse's Sister	-	-	

* Ravi Bhatia Departed from the marriage w.e.f December 23, 2016, so information of his spouse and his relatives not mentioned.

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

Nature of Relationship	Entity
Anybody corporate in which twenty per cent. or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or any one or more of their relative is a member	a) BNM Infra Pvt Ltd
Anybody corporate in which a body corporate as provided in above holds twenty per cent. or more, of the equity share capital; and	-
Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital;	a) Bhatia Colour Chem –Proprietor b) Vap chem – Partner c) Ravi Chem – Proprietor d) Shreeji Chem- Proprietor e) Polychem Exports – Partner f) Vap Fab – Partner g) Shreenathji Industries – Partner h) S.N Enterprise-Proprietor

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page no.119 of Draft Prospectus.

DIVIDEND POLICY

As on the date of this Draft Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, over financial condition, capital requirements and business prospects.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see “Restated *Financial Statement*” on page 90. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

The Company has not declared and paid any dividends on the Equity Shares since Incorporation.

SECTION VI - FINANCIAL INFORMATION

AUDITORS' REPORT ON STANDALONE RESTATED FINANCIAL INFORMATION

To
The Board of Directors
Bhatia Colour Chem Limited.
Plot No. A/2/12,
Road No. 1, Udhana Udyog Nagar,
Sangh Udhna, Surat-394210,
Gujarat, India

Dear Sirs,

Subject: Financial Information of Bhatia Colour Chem Limited

We have examined, the attached Restated standalone Statement of Assets and Liabilities of **Bhatia Colour Chem Limited** ('the Company') as at February 18,2022, the Restated Standalone Summary Statement of Profit and Loss and the Restated Standalone Summary Statement of Cash Flows for the period ended February 18,2022 and annexed to this report (collectively, the "Restated Financial Information") as approved by the Board of Directors of the Company for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (IPO) of equity shares prepared in terms of the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");
 - b. the Securities And Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("SEBI-ICDR Regulations"); and
 - c. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").
1. The Restated Standalone summary statements of the Company have been extracted by the Management from the Audited Standalone financial statements of the Company for the periods ended February 18,2022. Our responsibility is to examine the Restated Standalone Financial Information and confirm whether such Restated Standalone Financial Information comply with the requirements of the Act, the Rules, SEBI-ICDR Regulations and the Guidance Note.
 2. We have examined these Restated Standalone Financial Information taking into consideration
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated February 18, 2022 in connection with the proposed IPO of the Company;
 - b. The Guidance Note on reports in Company prospectus (Revised) issued by the Institute of Chartered Accountants of India
 3. These Restated Standalone Financial Information have been compiled by the Management from the Standalone audited Financial Statements of the Company for the period ended February 18,2022 which have been approved by the Board of Directors of the Company. We, DSI & Co Chartered Accountants, have been subject to peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid peer review certificate issued by the "Peer review Board" of the ICAI..
 4. Based on our examination, we report that:
 - a. The Restated Standalone Summary Statement of Assets and Liabilities of the Company examined and reported as at February 18,2022 examined by us, as set out in Annexure-1 read with significant accounting policies and related notes to account in Annexure 4 are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.

- b. The Restated Standalone Summary Statement of Profit and Loss of the Company for the period ended February 18,2022 examined by us, as set out in Annexure-2 read with significant accounting policies and related notes to account in Annexure 4 are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.
 - c. The Restated Standalone Summary Statement of Cash Flows of the Company for the period ended February 18,2022 examined by us, as set out in Annexure-2 read with significant accounting policies and related notes to account in Annexure 4 are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in schedules to the related summary statements.
 - d. Based on the above, according to the information and explanations given to us we are of opinion that the Restated Standalone Financial Information:
 - i. have been made after incorporating adjustments for changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
 - ii. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
 - iii. Do not contain any extra-ordinary items that need to be disclosed separately.
 - iv. There were no qualifications in the Audit report issued by the Statutory Auditor of the Company for the years ended February 18, 2022 which would require adjustments in this restated financial statements of the Company.
5. We have also examined the following financial information as set out in the Annexure prepared by the management and approved by the Board of Directors relating to for the period ended on February 18, 2022.
- i. Standalone Statement of significant accounting policies and notes to accounts as appearing in **Annexure 4**
 - ii. Standalone Statement of capital as appearing in **Annexure 5**
 - iii. Standalone Statement of Reserve and Surplus as appearing in **Annexure 6**
 - iv. Standalone Statement of Long term Borrowing as appearing in **Annexure 7**
 - v. Standalone Statement of Differed Tax Liability as appearing in **Annexure 8**
 - vi. Standalone Statement of Long Term Provisions as appearing in **Annexure 9**
 - vii. Standalone Statement of Trade payables as appearing in **Annexure 10**
 - viii. Standalone Statement of Other Current liabilities as appearing in **Annexure 11**
 - ix. Standalone Statement of Short term Provisions as appearing in **Annexure 12**
 - x. Standalone Statement of Fixed Asset Schedule as appearing in **Annexure 13**
 - xi. Standalone Statement of Other Non-Current Assets Schedule as appearing in **Annexure 14**
 - xii. Standalone Statement of Inventories as appearing in **Annexure 15**
 - xiii. Standalone Statement of Trade receivables as appearing in **Annexure 16**
 - xiv. Standalone Statement of Cash and Cash equivalents as appearing in **Annexure 17**
 - xv. Standalone Statement of Short term Loans and Advances as appearing in **Annexure 18**
 - xvi. Standalone Statement of Revenue from Operations as appearing in **Annexure 19**
 - xvii. Standalone Statement of Cost of Material Consumed as appearing in **Annexure 20**
 - xviii. Standalone Statement of Change in Inventories as appearing in **Annexure 21**
 - xix. Standalone Statement of Employee Benefit Expenses as appearing in **Annexure 22**
 - xx. Standalone Statement of Financial Costs as appearing in **Annexure 23**
 - xxi. Standalone Statement of Other expenses as appearing in **Annexure 24**
 - xxii. Restated Standalone Statement of Accounting & Other Ratios as appearing in **Annexure 25**
 - xxiii. Restated Standalone Statement of Capitalization of the company as appearing in **Annexure 26**
 - xxiv. Restated Standalone Statement of Tax Shelter as appearing in **Annexure 27**
 - xxv. Restated Standalone Statement of Contingent Liabilities & Capital Commitments as appearing in **Annexure 28**
 - xxvi. Restated Standalone statement of Related Parties as appearing **Annexure 29**

According to the information and explanations given to us in our opinion the Restated Standalone Financial Information and the above restated Standalone financial information contained in Annexure I to XXIX accompanying this report read along with the Significant Accounting Policies and Notes as set out in Annexure 4to32 are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities)Rules, 2014, SEBI-ICDR Regulations and the Guidance

Note.

6. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
8. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with BSE Limited and Registrar of Companies, Ahmedabad in connection with the proposed IPO of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For, DSI & Co.
Chartered Accountants
ICAI FRN No.: 127226W

Sd/-
Eric Kapadia
Partner
Mem. No: 136712
UDIN: 22136712ADJXNQ7362

Place: Surat
Date: February 22, 2022

Annexure -I Restated Standalone Summary Statement of Assets and Liabilities As at 18-02-2022

(₹ In Lacs)

	Particulars	Amt in INR
	EQUITY & LIABILITIES	
(1)	Shareholder's Funds	
	(a) Share Capital	723.38
	(b) Reserves & surplus	943.57
	Sub Total.....(1)	1,666.95
(2)	Share Application Money.....(2)	-
(3)	Non Current Liabilities	
	(a) Long term Borrowings	16.00
	(b) Long term Liabilities	-
	(c) Deffered Tax Liabilities (Net)	0.38
	(d) Long term Provisions	0.56
	Sub Total.....(3)	16.93
(4)	Current Liabilities	
	(a) Short Term Borrowings	-
	(b) Trade Payables	-
	- Outstanding due to Micro and Small Enterprises	225.68
	- Outstanding due to Creditors other then Micro and Small Enterprises	1,740.94
	(c) Other Current Liabilities	44.74
	(d) Short term provisions	32.32
	Sub Total.....(4)	2,043.67
	TOTAL LIABILITIES.....(1+2+3+4)	3,727.56
	ASSETS	
(5)	Non Current Assets	
	(a) Property Plant and Equipment	
	(i) Tangible Assets	30.15
	(ii) Intangible Assets	-
	(b) Capital work-in-progress	-
	(c) Non Current Investments	-
	(d) Deferred Tax Assets	-
	(e) Long term Loans and Advances	-
	(f) Other non Current Assets	-
	Sub Total.....(5)	30.15
(6)	Current Assets	
	(a) Current Investments	-
	(b) Inventories	379.68
	(c) Trade Receivables	3,098.45
	(d) Cash and bank balances	206.59
	(e) Short Term Loans and Advances	12.69
	Sub Total.....(6)	3,697.41
	TOTAL ASSETS.....(5+6)	3,727.56

Annex-II Restated Standalone Summary Statement of Profits and Losses As at 18-02-2022

(₹ In Lacs)

Particulars	Amt in INR
Income from continuing operations	
Revenue from operations	531.96
Other Income	-
Total Revenue	531.96
Expenses	
Cost of Material Consumed	523.32
Purchase of Stock in Trade	-
Change in Inventories of Finished Goods	(166.76)
Employee Benefits Expense	34.81
Finance Costs	1.24
Other expenses	86.79
Depreciation and amortisation expenses	0.51
Total Expenses	479.92
Extra Ordinary / Exceptional Item	0.08
Restated profit before tax from continuing operations	51.96
Tax expense/(income)	
Current tax	16.28
Deferred tax charge/(credit)	0.38
Total tax expense	16.66
Restated profit after tax from continuing operations (A)	35.30

Annex-III Restated Standalone Summary Statement of Cash Flows As at 18-02-2022

(₹ In Lacs)

Particulars	Amt in INR
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net profit before taxation and extraordinary items from continuing operations (as restated)	52.04
Non cash adjustments to reconcile profit before tax to net cash flows	
Add: Adjustment for :	
Depreciation and amortisation expense	0.51
Interest expense	-
Less: Adjustment for :	
Extraordinary Items	0.08
Interest Income	-
Operating profit before working capital changes (as restated)	52.48
Movement in Working Capital	
Add: Adjustment for :	
(Increase)/decrease in short term borrowings	16.00
(Increase)/decrease in short term borrowings	-
Less: Adjustment for :	
(Increase)/decrease in Inventories	379.68
(Increase)/decrease in trade receivables	3,098.45
(Increase)/decrease in Short term loans and advances	12.69
Increase/(decrease) in Long term Provisions	(0.56)
(Increase)/decrease in Other Current Assets	-
(Increase)/decrease in non current Investments	-
Increase/(decrease) in trade payables	(1,966.62)
Increase/(decrease) in Other Current Liabilities	(44.74)
Increase/(decrease) in Short term provisions	(32.32)
Increase/(decrease) in Long Term liability	
Cash flow from operations	(1,378.11)
Direct taxes paid (including fringe benefit taxes paid) (net of refunds)	16.28
Dividend and Dividend Distribution Tax	-
Net cash generated from operating activities (A)	(1,394.39)
B. CASH FLOW USED IN INVESTING ACTIVITIES	
Purchase of fixed assets, including intangible assets, capital work in progress and capital advances	(30.66)
Capital Work in Progress	-
Sale of Assets	-
Interest received	-
Dividend Income	-
Net cash used in investing activities (B)	(30.66)
C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES	
Proceeds from Long term Borrowings	-
Proceeds from issue of Share Capital and Reserve and Surplus-	
Share Capital & Share Premium	1,631.64
Increase In Non Current Assets	-
Interest paid	-
Net cash generated from/(used in) financing activities (C)	1,631.64
Net increase/(decrease) in cash and cash equivalents (A + B + C)	206.59
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	206.59

Significant Accounting Policies & Notes on Financial Statements

a) Basis of Accounting

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013 ('the Act'), read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the circulars and guidelines issued by the RBI from time to time to the extent they have an impact on the financial statements and current practices prevailing in India. The financial statements have been prepared on an accrual basis and under the historical cost convention. The financial statements are presented in Indian Rupees (INR) and all values are recorded to the nearest rupees (INR), except otherwise indicated.

b) Use of Estimates

The preparation of the financial statement in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustments to the carrying amounts of assets or liabilities in future periods.

c) Prior period Items

Since this being the first year of the company, there are no prior period items.

d) Recognition of Income and Expenditure

All incomes and Expenditure are accounted on accrual basis. Sales, Purchases and all expenses are accounted for exclusive of tax, duties, gst, cess, etc. collected on behalf of the government and are net of goods returned, discount, rate difference, late payment interest, transport & freight, claim, etc. and are inclusive of other direct expenses on purchases.

e) Government Grants

During the period under consideration the company has not received any government grants.

f) Employee Benefits

Contribution to employee's benefit funds remitted to statutory authority is charged to revenue. Liability in respect of Gratuity of employees of the company is provided for as per actuarial valuation as at the current period ended. Actuarial gains and losses are recognised in full in the statement of profit and loss, in the period/year in which they occur.

g) Borrowing Cost

The total borrowing cost on the acquisition of fixed assets if pertaining to the period up to the date on which the said fixed assets have been put-to-use, has been capitalized in the respective fixed assets and the cost for the period after the said fixed assets have been put-to-use has been debited to the Profit and Loss Account.

h) Segment Reporting

The company has only one business segment and geographical segment. Therefore there is no separate reportable segment as per AS-17.

i) Dues to small scale and ancillary undertakings

₹ 225.68 Lacs (Previous Year : Not Applicable) due to micro and small enterprises registered under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act). There are no other amounts paid/payable towards interest/principal under the MSMED; and

The above information has been determined to the extent such parties have been identified on the basis of the information available with the company regarding the status of suppliers under the MSMED.

j) Related Party Disclosure

The detail of related parties and total amount of transactions entered with the related parties for the year under consideration are given below.

i. List of related parties and description of relationship

Sr. No	Description of relationship	Names of related parties
1	Associate Concerns	i. M/s. Bhatia Colour Co.
		ii. M/s. Polychem Industries
		iii. M/s. Shreenathji Industries
		iv. M/s. Polychem Exports
		v. M/s. VAP Chem
		vi. M/s. VAP Fab
		vii. M/s. S. N. Enterprise
		viii. M/s. Awasome Sparklers
		ix. M/s. Bhatia Farm
		x. M/s. Brijbee
2	Key Management Personnel	i. Bharat Brijlal Bhatia
		ii. Rameshchand Chanduram Bhatia
		iii. Ravi Ashokkumar Bhatia
		iv. CFO Sunny Vyaswala
		v. CS Hiral Shah
3	Relative of Key Management Personnel	i. Madhu Brijlal Bhatia
		ii. Sonal Bharat Bhatia
		iii. Priti Brijlal Bhatia
		iv. Reena Rameshchand Bhatia
		v. Dhawal Rameshchand Bhatia
		vi. Apoorva Dhawal Bhatia
		vii. Smt. Kamini Ashokkumar Bhatia

ii. Transactions made during the year with the related parties.

- a) There are no transactions with the Associated Concerns.
b) Key Management Personnel

Sr. No.	Name of the Key Management Personnel	Nature of Transaction	Amount
1	Bharat Brijlal Bhatia	Unsecured Loan Received	75.25
		Unsecured Loan Repaid	65.25
		Unsecured O/s. Balance	10.00
		Director's Remuneration	3.29
2	Rameshchand Chanduram Bhatia	Unsecured Loan Received	20.00
		Unsecured Loan Repaid	14.00
		Unsecured O/s. Balance	6.00
		Director's Remuneration	3.29
3	Ravi Ashokkumar Bhatia	Director's Remuneration	1.64
		Purchase of sole proprietary Business	167.93
		Advances Received back	5.48
4	CFO Sunny Vyaswala	Salary Expenses	0.99
5	CS Hiral Shah	Salary Expenses	0.33

C. Relatives of the Key Management Personnel

Sr. No	Name of the Key Management Personnel	Nature of Transaction	Amount
1	Dhawal Rameshchand Bhatia	Advances Received back	40.00
2	Smt. Kamini Ashokkumar Bhatia	Advances Received back	2.30

K. Calculation of Earnings per Share

Basic EPS and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the period.

Sr. No	Particulars	Current Period
i.	Net Profit (Loss) after tax (₹)	3,530,460
ii.	Weighted average number of shares outstanding during the period (Face Value of ₹ 10/- per Share)	2,466,429
iii.	Earning Per Share Basic & Diluted (₹)	1.43

(l) Taxation

Tax comprises of Current tax and Deferred tax. Current tax in the books is recognised by opting the provisions of section 115BAA as introduced vide Taxation Laws (Amendment) Ordinance of 2019 to the Income Tax Act, 1961. Deferred Tax Liability is recognised on account of temporary timing differences. During the year, company has recognised deferred tax liabilities of ₹ 0.38 lacs on account of timing difference attributable to the claim of depreciation.

(m) Impairment of Assets

The carrying amounts of the company's assets are reviewed at each balance sheet date. If any indication of impairment exists, an impairment loss is recognized to the extent of the excess of the carrying amount over the estimated recoverable amount.

(n) Provisions, Contingent Liabilities and Contingent Assets

The Company claims to have no Contingent liability and hence, it is not provided for in the books of accounts. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the assessee.

(o) During the year under consideration, the company has entered into an agreement for purchase of sole proprietary business of M/s. Ravi Chem Prop. Ravi Ashokkumar Bhatia (one of the promoter of the company) as a running business together with all its assets and liabilities and for which the company has made payment of ₹ 500 lacs to him, which comprises of the consideration of ₹ 167.93 lacs towards net worth of the business as on 14-01-2022 and balance ₹ 332.07 lacs towards repayment of secured loan to banks and NBFCs of the said business, vide business takeover agreement dated 15-01-2022.

(p) Previous Year's Figures

This being the first year of the company, the comparative figures as at the end of the previous year's are not applicable.

(q) Additional information's

(i) Auditor's Remuneration :	Current Period	Previous Period
For Audit & Taxation Matters	0.00	0.00
For Company Law Matters	0.00	0.00
For Other Services	0.00	0.00

(ii) Value of Imports on C.I.F. basis

(iii) Expenditure in foreign currency during the Year

(iv) Earning in Foreign Currency during the Year

(v) Imported and Indigenous Purchase of Materials

Particulars	Current Period		Previous Year	
Imported	0.00	0.00	0.00	0.00
Indigenous	733.63	100.00%	Not Applicable	

Annexure : 5

(₹ in Lacs)

PARTICULARS	Amount
SHARE CAPITAL	
AUTHORISED	
1,20,00,000 EQUITY SHARES OF RS 10 EACH	1200
ISSUED SUBSCRIBED & FULLY PAID UP	
72,33,750 EQUITY SHARES OF ₹10/- EACH	723.38

RECONCILIATION OF THE NUMBER OF SHARES AT THE BEGINNING & END OF THE REPORTING PERIOD :

AUTHORISED SHARES	Equity shares
PREVIOUS YEAR	-
INCREASED BY/ DECREASED BY CURRENT YEAR	12,000,000
NUMBER OF SHARES AT THE END	12,000,000
ISSUED, SUBSCRIBED AND FULLY PAID	
NUMBER OF SHARES AT THE BEGINNING	-
ADD /LESS : EQUITY SHARES ISSUED DURING THE YEAR	7,233,750
NUMBER OF SHARES AT THE END	7,233,750
SHARES HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES, SPECIFYING THE NUMBER OF SHARES HELD :	
Name of Shareholder	No of shares and %
Bharat Brijlal Bhatia	1320000 (18.25%)
Rameshchand C. Bhatia	1320000 (18.25%)
Sonal Bhartbhai Bhatia	600000 (8.29%)
Madhu Brijlal Bhatia	600000 (8.29%)
Reena Rameshchand Bhatia	600000 (8.29%)
Dhawal Rameshchand Bhatia	600000 (8.29%)
Rajesh Liladhar Bhatia	600000 (8.29%)
Harsha Rajeshbhai Jhaveri	462500 (6.39%)
Rathod Manoj Chhaganlal HUF	375000 (5.18%)

Notes :

The Company has only one class of Share capital i.e. Equity Shares having Face value of ₹ 10/- per share. Each Holder of Equity Shares is entitled to one vote per Share. The Company declares and Pays dividend in INR only.

In the event of Liquidation of the Company, the holder of Equity Shares will be entitled to receive remaining 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.

The share holder have all rights as available to the Equity Shareholders as per the Provision of the Companies Act 2013 and 1956 read together with the MOA and AOA of the Company, as applicable.

RESTATED NOTES FORMING PART OF BALANCE SHEET

Annexure : 6

RESERVE & SURPLUS

(₹ in lakhs)

Particulars	As at February 18 , 2022
Share Premium Account	
Opening Balance	-
Add : during the year	1,428.63
Less : Bonus Issued during the year	520.00
Less : Expenses of IPO	0.36
Closing Balance	908.27
Profit and Loss account	
Opening Balance	-
Add : during the year	35.30
Add : DTA/DLA adjustment	-
Closing Balance	35.30
Total	943.57

Annexure : 7

LONG TERM BORROWING

(₹ in lakhs)

Particulars	As at February 18 , 2022
Loan from Directors	16.00
Total	16.00

Annexure : 8

DIFERED TAX LIABILITIES

(₹ in lakhs)

Particulars	As at February 18 , 2022
Opening Balance	-
Add/(less) on account Depreciation	0.38
Total	0.38

Annexure : 9

LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at February 18 , 2022
Provision for Gratuity	0.56
Total	0.56

Annexure : 10

TRADE PAYABLES

(₹ in lakhs)

Particulars	As at February 18 , 2022
Outstanding due to Micro and Small Enterprises	225.68
Outstanding due to Creditors other then Micro and Small Enterprises	1,740.94
Total	1,966.62

Annexure : 11

OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at February 18 , 2022
--------------------	---------------------------------

TDS Payable	2.19
GST Payable	42.55
Total	44.74

Annexure : 12
(₹ in lakhs)

SHORT TERM PROVISIONS

Particulars	As at February 18 , 2022
Provison for Expenses	16.03
Provision for Income Tax	16.28
Total	32.32

Annexure : 13
(₹ in lakhs)

Restated Standalone Fixed Assets Schedule

Sr. No.	Particulars	As at February 18 , 2022
1	Land	
	Opening Balance	-
	Add : Addition During the Year	-
	Less : Deduction During the Year	-
	Gross Block	-
	Less : Depreciation	-
	Closing balance	-
2	Building	
	Opening Balance	-
	Add : Addition During the Year	16.80
	Less : Deduction During the Year	-
	Gross Block	16.80
	Less : Depreciation	0.15
	Closing balance	16.65
3	Plant and Machinery	
	Opening Balance	-
	Add : Addition During the Year	2.98
	Less : Deduction During the Year	-
	Gross Block	2.98
	Less : Depreciation	0.05
	Closing balance	2.93
4	Office Equipment	
	Opening Balance	-
	Add : Addition During the Year	0.83
	Less : Deduction During the Year	-
	Gross Block	0.83
	Less : Depreciation	0.01
	Closing balance	0.82
5	Generator	
	Opening Balance	-
	Add : Addition During the Year	0.57
	Less : Deduction During the Year	-
	Gross Block	0.57
	Less : Depreciation	0.01
	Closing balance	0.56
6	Computer	
	Opening Balance	-

	Add : Addition During the Year	1.07
	Less : Deduction During the Year	-
	Gross Block	1.07
	Less : Depreciation	0.05
	Closing balance	1.02
7	Borewell Pump	
	Opening Balance	-
	Add : Addition During the Year	0.09
	Less : Deduction During the Year	-
	Gross Block	0.09
	Less : Depreciation	0.00
	Closing balance	0.09
8	Vehicles	
	Opening Balance	-
	Add : Addition During the Year	8.20
	Less : Deduction During the Year	-
	Gross Block	8.20
	Less : Depreciation	0.24
	Closing balance	7.96
9	Telephone & Mobiles	
	Opening Balance	-
	Add : Addition During the Year	0.11
	Less : Deduction During the Year	-
	Gross Block	0.11
	Less : Depreciation	0.00
	Closing balance	0.11
	TOTAL	
	Opening Balance	-
	Add : Addition During the Year	30.66
	Less : Deduction During the Year	-
	Gross Block	30.66
	Less : Depreciation	0.51
	Closing balance	30.15

Annexure : 14
(₹ in lakhs)

Other Non Current Assets

Particulars	As at February 18 , 2022
Other Non Current Assets	-
Total	-

Annexure : 15
(₹ in lakhs)

Other Non Current Assets

Particulars	As at February 18 , 2022
Raw Material	210.31
Finished Goods	166.76
Packing Materials	2.61
Total	379.68

Annexure : 16
(₹ in lakhs)

TRADE RECEIVABLES

Particulars	As at February 18 , 2022
-------------	--------------------------

Debts outstanding for a less than 6 months	-
Others	3,098.25
Total	3,098.25

Amount due from Directors/Group Companies/Promoters

340.47

Annexure : 17
(₹ in lakhs)

CASH AND CASH EQUIVALENTS

Particulars	As at February 18 , 2022
Cash On Hand	19.91
<u>Balance with Schedule Banks:</u>	
- Current Accounts	186.68
Total	206.59

Annexure : 18
(₹ in lakhs)

SHORT TERM LOANS AND ADVANCES

Particulars	As at February 18 , 2022
Staff Advances	1.35
Prepaid Expenses	0.84
Deposits	3.90
TDS Receivable	3.62
Other Advances	2.98
Total	12.69

Annexure : 19
(₹ in lakhs)

REVENUE FROM OPERATIONS

Particulars	As at February 18 , 2022
Sale of Products	531.96
Other Operatin Income	-
Total	531.96

Annexure : 20
(₹ in lakhs)

COST OF MATERIAL CONSUMED

Particulars	As at February 18 , 2022
Cost of Material Consumed	523.32
Total	523.32

Annexure : 21
(₹ in lakhs)

CHANGE IN INVENTORY OF FINISHED GOODS

Particulars	As at February 18, 2022
Opening Stcok	
Finished Goods	-
Closing Stcok	
Finished Goods	(166.76)
Total	(166.76)

Annexure : 23

FINANCIAL COSTS

(₹ in lakhs)

Particulars	As at February 18 , 2022
Bank Interest	1.23
Bank Charges	0.01
Total	1.24

Annexure : 24**FINANCIAL COSTS**

(₹ in lakhs)

Particulars	As at February 18 , 2022
<i>Operating Expenses</i>	
Electricity Expenses	0.34
Laboratory Expenses	0.18
Rent, Rates & Taxes	1.94
<i>Sub Total</i>	2.46
Legal and Professional Expenses	0.37
Office Expenses	0.63
Brokerage & Commission Expenses	40.21
Freight & Transportation Expenses	2.40
Consumption of Packing Materials	23.99
Professional Tax	0.02
Printing & Stationery Expenses	0.02
Preliminary Expenses	15.62
Traveling Expenses	0.27
Vehicle Expenses	0.79
<i>Sub Total</i>	84.33
Total	86.79

Annexure : 25**Restated Standalone Statement of Accounting Ratios**

(₹ in lakhs)

Particulars	As at February 18 , 2022
EBITDA	53.72
Pre Bonus	
Basic & diluted earnings per share	1.43
Return on Net Worth (in Percentage)	2.12
Net Asset Value per equity share (₹)	23.04
Net Profit after tax as restated attributable to equity shareholders (₹ Lacs)	35.30
Net Worth at the end of the year (₹ In Lacs)	1,666.95
Weighted Average no of shares at the end of the year	2,466,429
Total number of equity shares outstanding at the end of the year	7,233,750

Notes:- (a) EPS Calculation has been done as per Accounting Standard-20, "Earnings Per Share" issued by The Institute of Chartered Accountants of India.

Annexure : 26**Restated Standalone Capitalisation Statement**

(₹ in lakhs)

Particular	Pre issue As on February 18, 2022	Post Issue After February 18, 2022
Debt		
Long Term Debt	16.00	16.00

Short Term Debt	0.00	0.00
Total Debts (A)	16.00	16.00
Equity (shareholders' funds)		
Equity share capital	723.38	1223.38
Reserve and surplus	943.57	4443.57
Total Equity (B)	1666.95	5666.95
Long Term Debt / Equity Shareholders' funds	0.010	0.003
Total Debt / Equity Shareholders' funds	0.010	0.003

* Subject to increase in the authorised share capital of the company.

Annexure : 27

Restated Standalone Tax Shelter Statement

(₹ in lakhs)

Particulars	Amount
Restated Profit Before Tax (A)	51.96
Permanent Difference(B)	
Extra Ordinary Items - Interest on TDS	0.08
Gratuity Provision	0.56
Preliminary Expenses	15.62
Interest Income	-
Dividend	-
Total	16.26
Timing Difference(C)	
Depreciation Difference	(1.50)
Preliminary Expenses @ 20% (on proportionate basis)	(1.98)
IPO expenses @ 20% (on proportionate basis)	(0.05)
Taxable income under Normal provision	
(E=A+B+C-D)	64.70
Other source Income (F)	-
Total taxable income (G=E+F)	64.70
Less : set of earlier year losses (H)	-
Net Taxable Income as per IT act (I=G-H)	64.70
Tax rate Under Normal provision % (J)	25.17%
Income Tax as per normal provision(K=I*J)	16.28
Tax rate Under MAT provisions	NA
Income Tax as per MAT Provisions	NA
Tax Payable Higher of Normal Tax or MAT provisions	16.28

Annexure : 28

Restated Standalone Statement of Contingent Liabilities

(₹ in lakhs)

Particulars	Amount
Contingent Liabilities	NIL
Total	NIL

Annexure : 29

Restated Standalone Statement of Related Party Transactions

(₹ in lakhs)

Particulars	Amount
-------------	--------

1	List of Relatives	
	(A) Director	
	Bharat Brijlal Bhatia	
	Rameshchand Chanduram Bhatia	
	Ravi Ashokkumar Bhatia	
	(B) Associated Concern	
	M/s. Bhatia Colour Co.	
	M/s. Polychem Industries	
	M/s. Shreenathji Industries	
	M/s. Polychem Exports	
	M/s. VAP Chem	
	M/s. VAP Fab	
	M/s. S. N. Enterprise	
	M/s. Awasome Sparklers	
	M/s. Bhatia Farm	
	M/s. Brijbee	
	(C) Relatives of Key Management Personnel	
	Madhu Brijlal Bhatia	
	Sonal Bharat Bhatia	
	Priti Brijlal Bhatia	
	Reena Rameshchand Bhatia	
	Dhawal Rameshchand Bhatia	
	Apoorva Dhawal Bhatia	
	Smt. Kamini Ashokkumar Bhatia	
2	Nature of Transaction with the Related Parties	
	Directors Remuneration	
	Bharat Brijlal Bhatia	3.29
	Rameshchand Chanduram Bhatia	3.29
	Ravi Ashokkumar Bhatia	1.64
	Equity Share Capital	
	Bharat Brijlal Bhatia	141.90
	Rameshchand Chanduram Bhatia	141.90
	Ravi Ashokkumar Bhatia	38.70
	Sonal Bhartbhai Bhatia	64.50
	Madhu Brijlal Bhatia	64.50
	Reena Rameshchand Bhatia	64.50
	Dhawal Rameshchand Bhatia	64.50
	Purchase of proprietorship business	
	Ravi Ashokkumar Bhatia	167.93
	Loan Taken by the Company	
	Bharat Brijlal Bhatia	75.25
	Rameshchand Chanduram Bhatia	20.00
	Total	95.25

	Loan Paid back by the Company	
	Bharat Brijlal Bhatia	65.25
	Rameshchand Chanduram Bhatia	14.00
	Total	79.25
	Advances Received Back	
	Ravi Ashokkumar Bhatia	5.48
	Dhawal Rameshchand Bhatia	40.00
	Smt. Kamini Ashokkumar Bhatia	2.30
	Balance Outstanding	
	- Loan - Liability	
	Bharat Brijlal Bhatia	10.00
	Rameshchand Chanduram Bhatia	6.00
	Total	16.00
	CFO Sunny Vyaswala	
	Salary Expenses	0.99
	CS Hiral Shah	
	Salary Expenses	0.33

Other Financial Information

Statement of Accounting Ratios

(₹ in lakhs)

Particulars	As at February 18 , 2022
EBITDA	53.72
Pre Bonus	
Basic & diluted earnings per share	1.43
Return on Net Worth (in Percentage)	2.12
Net Asset Value per equity share (₹)	23.04
Net Profit after tax as restated attributable to equity shareholders (₹ Lacs)	35.30
Net Worth at the end of the year (₹ In Lacs)	1,666.95
Weighted Average no of shares at the end of the year	2,466,429
Total number of equity shares outstanding at the end of the year	7,233,750

Notes:- (a) EPS Calculation has been done as per Accounting Standard-20, "Earnings Per Share" issued by The Institute of Chartered Accountants of India.

Capitalisation Statement

(₹ in lakhs)

Particular	Pre issue As on February 18, 2022	Post Issue After February 18, 2022
Debt		
Long Term Debt	16.00	16.00
Short Term Debt	0.00	0.00
Total Debts (A)	16.00	16.00
Equity (shareholders' funds)		
Equity share capital	723.38	1223.38
Reserve and surplus	943.57	4443.57
Total Equity (B)	1666.95	5666.95
Long Term Debt / Equity Shareholders' funds	0.010	0.003
Total Debt / Equity Shareholders' funds	0.010	0.003

** Subject to increase in the authorised share capital of the company.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period February 18, 2022. You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled "Risk Factors" beginning on page 13 of this Draft Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Bhatia Colour Chem Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the period February 18, 2022 included in this Draft Prospectus beginning on page 90 of this Draft Prospectus.

BUSINESS OVERVIEW

The Company is in trading & manufacturing of Chemicals, Dyes and Auxiliaries products. Company produce finished Textile Auxiliaries & Chemicals by mixing basic Textile Auxiliaries & Chemicals with our standardised formulation of chemicals with the help of stirrers. The Company produce Foil Binders, Printing Inks and Zari Binders in our Company with the variety of ranges and specialisation as per the demand of the client.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

After the date of last financial period i.e. February 18, 2022, there is no any significant development occurred in the Company.

KEY FACTORS AFFECTING THE RESULTS OF OPERATION:

Our Company's future results of operations could be affected potentially by the following factors:

1. Changes in Laws and Regulations that apply to our Industry.
2. Changes in Fiscal, Economic or Political conditions in India
3. Failure to adapt the changing technology in our industry of operation may adversely affect our business
4. Failure to comply with regulations prescribed by authorities of the jurisdiction in which we operate
5. Competition with existing and new entrants

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, "Annexure IV" beginning under Chapter titled "Financial Information of our Company" beginning on page 96 of the Draft Prospectus.

Financial performance of the stub period for the period ended on February 18, 2022

(₹ in Lacs)

Income from continuing operations	Amount	%
Revenue from operations		
Sale of Product	531.96	100.00
Total Revenue	531.96	100.00
Expenses		
Cost of Goods Sold	523.32	98.38
Change in Inventory	(166.76)	(31.35)
Employee benefits expense	34.82	6.55
Finance Costs	1.24	0.23
Other expenses	86.79	16.32
Depreciation and amortisation expenses	0.51	0.10

Total Expenses	479.92	90.22
Restated profit before tax from continuing operations	52.04	9.78
Exceptional Item/ Extraordinary Item	0.08	
Profit before Tax	51.96	
Tax expense/(income)		
Current tax	16.28	
Deferred tax charge/(credit)	0.38	
Total tax expense	16.66	
Restated profit after tax from continuing operations (A)	35.30	6.64

Income from Operations

The Total income from the operation for the stub period ended on February 18, 2022 was ₹531.96 Lacs consist of 100% of Sale of Product income only.

Total Expenditure

The total expenditure for stub period ended on February 18, 2022 was ₹479.92 lacs which is 90.22% of the total revenue for the stub period.

Profit after Tax

The profit after Tax for the stub period was ₹35.30 lacs representing to 6.64% of the total revenue.

Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

1. Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years except COVID -19.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "*Risk Factors*" beginning on page 13 of this Draft Prospectus. To our knowledge, except as we have described in this Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. Income and Sales on account of major product/main activities

Income and sales of our Company on account of major activities derives from Textile Industries.

4. Whether the company has followed any unorthodox procedure for recording sales and revenues

Our Company has not followed any unorthodox procedure for recording sales and revenues.

5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled "*Risk Factors*" beginning on page 13 in this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

6. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in revenues are by and large linked to increases in volume of business.

7. Total turnover of each major industry segment in which the issuer company operated.

The Company is in the business of manufacture, the relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page no 54 of this Draft Prospectus.

8. Status of any publicly announced new products or business segment.

Our Company has not announced any new product or business segment.

9. The extent to which business is seasonal.

Our Company's business is not seasonal.

10. Any significant dependence on a single or few suppliers or customers.

Our Company is not dependent on any single or few suppliers of customers.

11. Competitive conditions.

Competitive conditions are as described under the Chapters titled "*Industry Overview*" and "*Business Overview*" beginning on pages 54 and 60, respectively of this Draft Prospectus.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal or Civil proceedings (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five (5) Financial Years, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“Materiality Policy”), in each case involving our Company, Promoters and Directors (the “Relevant Parties”).

For the purpose of point (V) above, our Board has considered and pass the Resolution for identification of material litigation involving the Relevant Parties in its meeting held on February 22, 2022 and has considered for identification of material litigation involving the Relevant Parties.

In terms of the Materiality, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters since incorporation including outstanding action, and tax matters, would be considered ‘material’ if:

(a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ₹ 5.00 Lakhs shall be considered material; or

(b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on February 22, 2022 determined that outstanding dues to creditors in excess of ₹ 5.00 lakhs as per the restated financials for the period ended February 18, 2022 shall be considered as material dues (“Material Dues”).

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Prospectus.

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at www.bccl.info. It is clarified that for the purposes of the above, pre – litigations notices received by our Company Promoters, and the Directors shall, unless otherwise decided by the Board, not be considered as material litigations until such time that litigations proceedings are initiated before any judicial forum.

PART I –LITIGATIONS INVOLVING OUR COMPANY

A. LITIGATIONS AGAINST OUR COMPANY

- 1) Criminal Litigations
NIL
- 2) Civil Proceedings
NIL
- 3) Taxation Matters
NIL
- 4) Proceedings against Our Company for economic offences/securities laws/ or any other law
NIL
- 5) Penalties in Last Five Years
NIL
- 6) Pending Notices against our Company
NIL
- 7) Past Notices to our Company

- NIL
- 8) Disciplinary Actions taken by SEBI or stock exchanges against Our Company
NIL
 - 9) Defaults including non-payment or statutory dues to banks or financial institutions
NIL
 - 10) Details of material frauds against the Company in last five years and action taken by the Companies.
NIL

B. LITIGATIONS FILED BY OUR COMPANY

- 1) Criminal Litigations
NIL
- 2) Civil Proceedings
NIL
- 3) Taxation Matters
NIL
- 4) Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law.
NIL

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

A. LITIGATIONS AGAINST DIRECTOR(S) OF OUR COMPANY

- 1) Criminal Litigations
Other than stated in the Litigation against Promoter there are no other outstanding criminal litigation against any of our Director.
- 2) Civil Proceedings
NIL
- 3) Taxation Matters
NIL
- 4) Past Penalties imposed on our Directors
NIL
- 5) Proceedings initiated against our Directors for economic offences/securities laws/ or any other law
NIL
- 6) Directors on list of wilful defaulters of RBI
NIL

B. LITIGATIONS FILED BY DIRECTOR(S) OF OUR COMPANY

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

PART III –LITIGATIONS INVOLVING PROMOTER(S) OF OUR COMPANY

A. LITIGATIONS AGAINST PROMOTER(S) OF OUR COMPANY

- 1) Criminal Litigations

1. Case under the Negotiable Instrument Act Suresh Shadija (Complainant) Partner of K.S. Trade & Finance Vs.M/s Polychem Exports and Rameshchand Bhatia (Partner), Rajesh Bhatia (Partner), and Ravi Bhatia (Partner) (opponent)

The Complainant has filed the criminal case On April 01,2021 against our promoters Rameshchand Bhatia and Ravi Bahtai under Negotiable Instrument Act, 1881 for dishonor of Cheque. The Complainant being

Partner of K.S. Trade & Finance has given sum of Rupees 30,00,000/-interest bearing to the M/s Polychem Exports. Till July 01, 2020, the M/s Polychem Exports has paid the interest on the same. After that the complainant had not received any amount from the opponent, hence demanded for the refund of ₹ 30,00,000/-.

The Cheque no 727981 given by M/s Polychem Exports dated February, 2021, signed by one of the partner Rajesh Liladhar Bhatia, amounting to Rs 30,00,000, drawn on Indusind Bank, Branch Udhana, Surat was dishonored by the bank with a note that the party has stopped the payment. The complainant has given legal notice on February 24,2021 the opponent and the same was received by the opponent on March 01,2021. M/s Polychem Exports havenot paid the amount nor given reply to the notice. The complainant had filed the case under The Negotiable Instrument Act in the court of Judicial Magistrate First Class, Raipur, Jharkhand. Summons have been issued but the opponent has never appeared before the court.

2. Case under the Negotiable Instrument Act by Mr. Suresh Shadija (Complainant) Partner of K.S. Trade & Finance Vs. M/s Polychem Exports, Mr. Rameshchand Bhatia (Partner), Mr. Rajesh Bhatia (Partner), and Mr. Ravi Bhatia (Partner)(opponent)

Registration No. –1668/2021

The Complainant has filed the criminal case On March 17,2021 against our promoters Rameshchand Bhatia and Ravi Bahtai under Negotiable Instrument Act, 1881 for dishonor of Cheque. The Complainant being Partner of K.S. Trade & Finance has given sum of Rupees 20,00,000/-interest bearing to the M/s Polychem Exports.

The Cheque No 727982 given by M/s Polychem Exports dated February 4, 2021, signed by one of the partner Rajesh Liladhar Bhatia, amounting to Rs 20,00,000 drawn on Indusind Bank, Branch Udhna, Surat was dishonored by the bank with a note that the party has stopped the payment. The complainant has given legal notice on February 24,2021 to the opponent and the same was received by the opponent on March 01,2021. M/s Polychem Exports have not paid the amount nor given reply to the notice. The complainant had filed the case under The Negotiable Instrument Act in the court of Judicial Magistrate First Class, Raipur, Jharkhand. Summonses have been issued but the opponent has never appeared before the court.

- 2) Civil Proceedings
NIL
- 3) Taxation Matters
NIL
- 4) Past Penalties imposed on our Promoters
NIL
- 5) Proceedings initiated against our Promoters for economic offences/securities laws/ or any other law
NIL
- 6) Penalties in Last Five Years
NIL
- 7) Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past
NIL
- 8) Adverse finding against Promoter for violation of Securities laws or any other laws
NIL

B. LITIGATIONS FILED BY PROMOTERS(S) OF OUR COMPANY

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

PART IV –LITIGATIONS INVOLVING SUBSIDIARY COMPANY:

AS ON DATE OF THIS DRAFT PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY SUBSIDIARY COMPANY.

PART V –LITIGATIONS INVOLVING GROUP COMPANY:

AS ON DATE OF THIS DRAFT PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY LITIGATIONS INVOLVING GROUP COMPANY.

PART VI –OTHER MATTERS

NIL

PART VII –DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES - NIL

PART VIII –OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY - NIL

PART IX –MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter - “*Management Discussion and Analysis of Financial Condition and Result of Operation*” on page 110 of this Draft Prospectus, there have been no material developments, since the date of the last audited balance sheet.

PART X –OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As on February 18, 2022, our Company had 115 creditors, to whom a total amount of ₹ 1966.62 lakhs were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated February 22, 2022, considered creditors to whom the amount due exceeds ₹ 5.00 lakhs as per our Company's restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

Sr.No.	Particulars	Amount (₹. in Lakhs)
1.	Amount due to Micro and Small Enterprises.	225.68*
2.	Amount due to Material Creditors.	1639.57
3.	Amount due to Other Creditors.	101.37
	Total	1966.62

*The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplier under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). For complete details about outstanding dues to creditors of our Company, please see website of our Company www.bccl.info.

Information provided on the website of our Company is not a part of this Draft 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.bccl.info. would be doing so at their own risk.

WILFUL DEFAULTER

Our Promoters and Directors have not been identified as a willful defaulter in terms of the SEBI ICDR Regulations as on the date of this Draft Prospectus.

GOVERNMENT AND OTHER STAUTORY APPROVALS

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except proposed activities of Company or any other entity are required to undertake the Issue or continue its business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

(A) Approvals for the Issue

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on February 18, 2022 authorised the Issue subject to the approval of the shareholders of the Company under Section 62 (1) (c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to a resolution dated February 21, 2022 passed in the EGM under Section 62(1)(c) of the Companies Act, 2013 authorised the Issue.
3. The Company has obtained in-principle listing approval from the SME platform of the BSE dated [●].
4. The Company has entered into an agreement dated February 16, 2022 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated February 17, 2022 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
6. The Company's International Securities Identification Number ("ISIN") is INE0KQ001017.

(B) Registration under the Companies Act, 2013:

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Asst Registrar of Companies, Central Registration Center.	U24290GJ2021PTC127878	Companies Act, 2013	Certificate of Incorporation	Valid, till Cancelled
2.	Registrar of Companies, ROC-Ahmedabad	U24290GJ2021PLC127878	Companies Act, 2013	Fresh Certificate of Incorporation consequent upon conversion from private to public company	Valid, till Cancelled

(C) Registration under various Acts/Rules relating to Income Tax and Goods and Service Tax :

Sr. No	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Income Tax Department- (PAN)	AAKCB3684Q	Income Tax Act 1961	Permanent Account Number	Valid, till Cancelled
2.	Income Tax Department-(TAN)	SRTB07227D	Income Tax Act 1961	Tax Deduction and collection Account Number	Valid, till Cancelled
3.	Gujarat Goods and Services Tax Act, 2017(Corporate	24AAKCB3684Q1 Z0	Gujarat Goods and Services Tax Act, 2017	Goods and Services Tax	Valid, till Cancelled

	Office at Surat)				
4.	Surat Municipal Corporation	Registration No.: PEC03SZ00063656	Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976.	Registration Certificates under Professional Tax (Enrollment Certificate)	Valid, till Cancelled
5.	Surat Municipal Corporation	Registration No.: PRC03SZ00031873	Gujarat State on Profession, Trade, Calling and Employments Act, 1976.	Profession Tax department – Certificate of Registration (RC)	Valid, till cancelled
6.	Employees' Provident Fund Organisation	Registration No-SRSRT2534249000	Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Registration with Provident Fund Authority.	Valid, till Cancelled
7.	Assistant Director Sub-Regional Office, Employees' State Insurance Corporation	39000612200000301	Employee State Insurance Act, 1948 (E.S.I. Act, 1948)	Registration with ESIC Authority	Valid, till cancelled
8.	Ministry of Micro, Small and Medium Enterprise*	UDYAM-GJ-22-0067217	Micro, Small and Medium Enterprise	Udyam Registration Certificate	Valid, till cancelled

*All the above licenses and permissions are in the name of Ravi Chem, Company is taking action to get it in the name of Bhatia Colour Chem Limited.

Note: The Company has made Application for Factory License on February 19, 2022, Approval is yet to received

FINANCIAL INFORMATION OF OUR GROUP COMPANIES

As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies which is covered under the applicable Accounting Standard (AS-18) as per the Restated Financial Statements of our Company. Further in addition to it, pursuant to a resolution of our Board dated February 22, 2022 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if any such company is an Associate Company of our Company or our Company is an Associate Company of such Company.

There is no company which is considered material by the Board of Directors of our Company to be identified as Group Company.

OTHER REGULATORY AND STATUTORY APPROVALS

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of the Board of Directors passed at their meeting held on February 18, 2022 subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1) (c) of the Companies Act, 2013.

The shareholders of our Company have authorized this Issue by a special resolution passed pursuant to Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of our Company held on February 21, 2022.

We have received In- Principle Approval from BSE vide their letter dated [•] to use the name of BSE in the Prospectus for listing of our Equity Shares on SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange.

PROHIBITION BY SEBI

Our Company, Promoters, Promoter Group and Directors are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

CONFIRMATION

1. Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Prospectus.
2. Our Directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our Directors are associated as promoters or directors in past (5 five) years.

DECLARATION AS WILFUL DEFAULTERS & FUGITIVE ECONOMIC OFFENDER

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of promoters or the person(s) in control of our company have been identified as a willful defaulter or a fugitive economic offender by the RBI or other government authorities and no such proceedings are pending against any of them except as details provided in the chapter titled “*Outstanding Litigations and Material Developments*” on page 113 of this Draft Prospectus.

ELIGIBILITY FOR THE ISSUE

Our company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018; and this Issue is an “Initial Public Offer” (“IPO”) in terms of the SEBI (ICDR) Regulations, 2018.

Our company is eligible for the Issue in accordance with Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ten crore and upto twenty five crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited (“BSE SME”). Our Company also complies with eligibility conditions laid by SME Platform of BSE Limited for listing of Equity Shares.

We confirm that:

1. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, the lead manager shall ensure that the issuer shall file copy of the Draft Prospectus/Prospectus with SEBI along with Due Diligence Certificate including additional confirmations as required at the time of filing the Draft Prospectus/Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this issue has been one hundred percent (100%) underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details, pertaining to said underwriting please see “General Information” on page no.24 of this Draft Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within eight (8) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of eight (8) day, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.
4. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we shall enter into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see “General Information” on page no.24 of this Draft 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.

1. The issuer should be a Company incorporated Under Companies Act, 2013

Our Company is incorporated under the Companies Act,2013.

2. The post issue paid up capital of the company (face value) shall not be more than ₹25 crores.

The post issue paid up capital of the Company (face value) will be ₹ 12.23 crores, which is less than ₹25 crores

3. Positive Net Worth

(₹ in lakhs)

Particulars	February 18, 2022
Net Worth as per Restated Financial Statement	1666.95

4. Net Tangible Assets of ₹150.00 Lakhs

Our Company satisfies the above criteria. Our Net Tangible Assets as per the latest audited financial statements i.e as on February 18, 2022 is ₹1666.95 Lakhs

5. Track Record

The company or the firm or the firm which have been converted into the company should have combined positive cash accruals (earnings before depreciation and tax) in any of the year out of last three years and its net worth should be positive

Our Company satisfies the criteria of Track Record

(₹ in lakhs)

Particulars	February 18, 2022	March 31, 2021	March 31, 2020	March 31, 2019
Earnings before depreciation and tax	52.20	95.26	124.85	82.68

Note: Figures of March 31, 2021, 2020 and 2019 is considered from the Audited Financial of as M/s. Ravi Chem , which is takeover by the company at the time of Incorporation as the terms and condition mentioned in the Agreement date January 15, 2022.

6. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company's shares bear an ISIN No: INE0KQ001017

7. Company shall mandatorily have a website.

Our Company has a live and operational website: www.bccl.info

Certificate from the applicant company stating the following:

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.

There has been no change in the promoter/s of the Company in preceding one (1) year from the date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE Limited ("BSE SME").

SEBI DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT 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 OFFER DOCUMENT/ OFFER DOCUMENT. THE LEAD MANAGER, INTERACTIVE FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE 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 THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER INTERACTIVE FINANCIAL SERVICES LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 23, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOUSER REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/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 LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT, 2013.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED (“BSE SME”)

The copy of the Draft Prospectus is being submitted to BSE. Post scrutiny of the Draft Prospectus, the Disclaimer Clause as intimated by BSE to us shall be included hereunder;

CAUTION- DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

The Company, and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including our website: www.bccl.info, www.ifinservices.com would be doing so at their own risk.

DISCLAIMER IN RESPECT OF JURISDICTION

This issue is being made in India to persons resident in India including Indian Nationals Resident in India who are not Minors, HUFs, Companies, Corporate Bodies And Societies registered under the applicable laws in India and authorized to invest in shares, 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, any FIIs 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 Prospectus / Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus/ 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 Ahmedabad 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 Prospectus / Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus / 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, 1993

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 Regulations 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.

LISTING

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is requirement of obtaining In-principle approval from SME Platform of BSE Limited, an application is being made to the SME Platform of BSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

Our company has obtained In-Principle approval from BSE vide letter dated [●] to use name of BSE in the Prospectus for listing of equity shares on SME Platform of BSE Limited.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If any such money is not unblocked within eight (8) days after the issuer becomes liable to unblock it then our Company and every director of the company who is an officer in default shall, on and from the expiry of the eighth (8) day, be jointly and severally liable to unblock that money with interest at the rate of fifteen per cent per annum (15% pa) as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within six (6) 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 otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013”*

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 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 Lead Manager to the Issue, Underwriter, Registrar to the Issue, Market Makers, Bankers to company and Banker to Issue and Sponsor Bank to act in their respective capacities have been obtained.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018

1) M/s. DSI & Co., Chartered Accountants, have provided their written consent for the inclusion of their report dated February 22, 2022 regarding restated financial statements; and

2) M/s. DSI & Co., Chartered Accountant, have provided their written consent for the inclusion of Statement of Tax Benefits dated February 22, 2022 which may be available to the Company and its shareholders included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

EXPERT OPINION

Except for Peer Review Auditors' reports on the restated financial statements and Statement of Tax Benefits; we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Company has not made any previous Public or Right issue since Incorporation.

COMMISSION OR BROKERAGE

We have not made any public issue in last five (5) years. Hence, no sums have been paid or payable as Commission or Brokerage.

COMMISSION PAYABLE TO SCSBS

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. However, in case, where ASBA Application Form are being procured by Syndicate Members / sub syndicate, then selling commission would be payable to Syndicate Members / sub syndicate and for processing of such ASBA Application Form, SCSBs would be given a prescribe fee of ₹10 per ASBA Application Form processed by them.

CAPITAL ISSUE DURING THE LAST THREE YEARS BY ISSUER, LISTED GROUP COMPANIES AND SUBSIDIARIES OF OUR COMPANY

Except as disclosed in Chapter titled "*Capital Structure*" on page 33 and below, our Company has not made any capital issue during the previous three years. Our Company do not have any listed group Companies/ Subsidiaries / Associates.

PERFORMANCE VIS-À-VIS OBJECTS;

Except as stated in the chapter titled "*Capital Structure*" beginning on page 33 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

None of our Group Companies and Promoter Group Companies have their equity shares listed on any stock exchange.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

The Interactive Financial Services Limited has not handled any issue before this, hence the Annexure for the past issue handled by Lead Manager, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, is not applicable to the Lead Manager.

Track Record of past issues handled by Interactive Financial Services Limited

Not Applicable

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 exchange.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process and UPI 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), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on February 21, 2022. For further details, please refer the chapter titled "*Our Management*" on page no. 75 of Draft Prospectus.

Our Company has also appointed Ms. Hiral Shah as the Company Secretary and Compliance Officer of our company, for this Issue and she may be contacted in case of any pre-issue or post-issue related problems at the following address:

Bhatia Colour Chem Limited

Plot No. A/2/12, Road No. 1 Udhna Udhhyog Nagar, Sangh, Udhna, Surat – 394210, Gujarat.

Tel No: 0261-2270489,+91 9104294564

Website: www.bccl.info

E-mail: account@bccindia.com

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, our Memorandum and Articles of Association, SEBI Listing Regulation, the terms of this Draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the BSE SME, RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of 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 have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled "Main Provisions of the Articles of Association of our Company" beginning on page 167 of this Draft Prospectus.

Authority for the Present Issue

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 18, 2022 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on February 21, 2022 pursuant to section 62(1)(c) of the Companies Act.

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 any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and approved by 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 and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "*Dividend Policy*" and "Main Provisions of Article of Association" beginning on page no 89 and 167 respectively of this Draft Prospectus.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ 80 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis for Issue Price” beginning on page 49 of the Draft Prospectus. At any given point of time there shall be only one denomination for the Equity Shares. At any given point of time there shall be only one (1) denomination of Equity Shares of our Company, subject to applicable law.

Compliance with SEBI ICDR Regulations, 2018

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 and 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 and other preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “Main Provisions of Articles of Association” beginning on page 167 of the Draft Prospectus.

Minimum Application Value; Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of 1,600 Equity Shares and the same may be modified by SME Exchange of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,600 Equity Share subject to a minimum allotment of 1,600 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267(2) of the SEBI (ICDR) Regulations 2018 the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within 4 Working days of closure of issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

Joint Holders

Where 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.

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to Investor

In accordance with Section 72 (1) & 72 (2) 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 Applicants, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) 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 accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be 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 Agents of our Company.

In accordance with Articles of Association of the Company, 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:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety 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 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.

Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON [•]
ISSUE CLOSES ON [•]

- *In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*

- *In terms of Regulation 266 (3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of sub-regulation 266(1).*

In terms of the UPI Circulars, in relation to the Offer, the Lead Manager will submit reports of compliance with T+6 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 case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Four (4) Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In case of

- any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked.
- any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock;
- any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock;
- any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Prospectus may result in changes in the timelines.

Submission of Application Forms:

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. and 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. and 3.00 p.m. IST

On the Issue Closing Date, for uploading the Application Forms:

1. 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchanges

after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 03.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such 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 LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

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 Application Forms prior to the 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 Application Form, for a particular Applicant, the details as per the file received from SME Platform of BSE may be taken as the final data for the purpose of Allotment.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Draft Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Draft Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) Working Days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a).

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

Arrangements for Disposal of Odd Lots

The trading of the equity shares will happen in the minimum contract size of 1,600 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 SME Platform of BSE Limited.

Withdrawal of the Issue

Our Company in consultation with the Lead Manager, 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 days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the public Issue Account shall be transferred to the Refund Account.

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, and (ii) the final RoC approval of the Prospectus after it is registered with the RoC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Prospectus.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 33 of the Draft 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. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 167 of the Draft Prospectus.

Migration to Main Board

The Company may be migrated to Main Board pursuant to Regulation 277 of the SEBI (ICDR) Regulation and in accordance to that Securities Exchange Board of India (SEBI) vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010 has stipulated the requirements for migration from SME platform to main board. The migration eligibility of BSE is notified on https://www.bsesme.com/static/getlisted/Migration_from_SME_Exchange_to_Main_Board.aspx and as amended time to time.

Market Making

The shares offered through this issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE Ltd for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus.

For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see "General Information" beginning on page 24 of the Draft Prospectus.

New Financial Instruments

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

Allotment of Equity Shares in Dematerialized Form

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialised form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing the Draft Prospectus:

- Tripartite agreement dated February 16, 2022 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated February 17, 2022 among NSDL, our Company and the Registrar to the Issue

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extant policy of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Exchange of BSE Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 128 and 137 respectively of this Draft Prospectus.

Public issue of 50,00,000 equity shares of face value of ₹10.00/- each for cash at a price of ₹80.00/- per equity share including a share premium of ₹70.00/- per equity share (the "issue price") aggregating to ₹4000.00 lakhs ("the issue") by our company.

Particulars	Net Issue to Public	Market Maker reservation portion
Number of Equity Shares	47,36,000* Equity Shares	2,64,000 Equity Shares
Percentage of Issue Size available for allocation	94.72% of the Issue Size. 38.71% of the Post Issue Paid up capital	5.28 % of the Issue Size 2.16 % of the Post Issue Paid up capital
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 1,600 Equity Shares and Further allotment in multiples of 1,600 Equity Shares each. For further details, please refer to the section titled " <i>Issue Procedure</i> " on page 137 of this Draft Prospectus.	Firm Allotment
Mode of Application	Retail Individual Investors may apply through UPI Payment Mechanism. All other applicants and Retail Individual Investors (whose bank do not provide UPI Payment facility) shall apply through ASBA Only.	Through ASBA mode Only.
Minimum Application Size	<u>For OIB and NII:</u> Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Value exceeds ₹ 2,00,000 <u>For Retail Individuals:</u> Such number of equity shares where application size is of at least 1,600 Equity Shares.	2,64,000 Equity Shares
Maximum Bid	<u>For OIB and NII:</u> Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Size does not exceed 47,36,000 Equity Shares subject to adhere under the relevant laws and regulations as applicable. <u>For Retail Individuals:</u> Such number of Equity Shares so that the Application Value does not exceed ₹ 2,00,000	2,64,000 Equity Shares
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
Trading Lot	1,600 Equity Shares	1,600 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.

Particulars	Net Issue to Public	Market Maker reservation portion
Terms of payment	In case of ASBA, the entire application amount shall be blocked at the time of submission of Application Form to the SCSBs and in case of UPI as an alternate mechanism, application amount shall be blocked at the confirmation of mandate collection request by the Applicant.	

**50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹2,00,000 and the balance 50% of the shares are available for applications whose value is above ₹2,00,000.*

Note:

- 1. In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of beneficiary account held in joint names. The signature of only such First Applicant would be Required in the Application Form and such First Applicant would be deemed to have signed on behalf of joint holders.*
- 2. Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
- 3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details, please refer chapter titled “Issue Procedure” beginning on page 137 of this Draft Prospectus.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with the applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

Pursuant to the SEBI ICDR Regulations, 2018 the ASBA process is mandatory for all investors excluding Anchor Investors and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Application forms. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 (“UPI Circular”) in addition to ASBA Process has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”), consequent reduction in timelines for listing in a phased manner. Further, SEBI vide its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 has notified Phase II for detail implementation refers below “Phased implementation of Unified Payments Interface”. Applicants applying through the ASBA process or UPI Mechanism should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs hence applicant shall ensure that ASBA Bank Account has sufficient Balance.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by Stock Exchange to act as intermediaries for submitting Application Forms are provided on the website of the Stock Exchange. For details on their designated branches for submitting Application Forms, please refer the above-mentioned Stock Exchange website.

Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 updated pursuant to the SEBI Circular bearing Number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03,

2019 (Collectively the UPI Circular) in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI circular, Unified Payments Interface will be introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Investors through intermediaries with the object 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 transaction to the UPI Payment mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases. Further SEBI has issued vide its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 implementation of Phase II, shall stand modified to the extent stated under the circular i.e. SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020. This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form. 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, 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 01, 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 Prospectus.

Fixed Price Issue Procedure

The Issue is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. Wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, 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 LM and the Stock Exchange are required to submit their Applications to the Application Collecting Intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. Applicants will not have the option of getting allotment of the Equity Shares in physical form. However, the Investors may get the Equity Shares rematerialized subsequent to the allotment.

Availability of Draft Prospectus/Prospectus and Application Forms

Copies of the Application Form and the Draft prospectus / Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus / Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor using UPI Payment Mechanism) shall mandatorily participate in the Issue only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

*Excluding electronic Application Form.

**Application Forms will also be available on the website of the BSE (www.bseindia.com). Same Application

Form applies to all ASBA Applicants/ Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any Non-SCSB bank or any Escrow Bank. For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

Submission and Acceptance of Application Form

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed 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.	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)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Application Forms to SCSBs only

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchanges(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account

Stock exchange(s) 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.

Who can apply?

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non-Institutional Investors (NIIs) category;
- Mutual Funds registered with SEBI;
- VCFs registered with SEBI;
- FVCIs registered with SEBI;
- Multilateral and bilateral development financial institutions;
- State Industrial Development Corporations;
- Insurance companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;

- Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
- Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India;
- Nominated Investor and Market Maker
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and polices applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Overseas Corporate Bodies

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by associates/affiliates of Lead Manager

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

Option to Subscribe to the Issue

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application By HUF

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant 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/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is

the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals

Application by Mutual Funds

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one (1) scheme of the mutual fund will not be treated as multiple Applications, provided, that the Applications clearly indicate the scheme concerned for which the Application has been made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their Application in whole or in part, in either case, without assigning any reason thereof.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights

Application by Indian Public including eligible NRIs applying on Non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

Application by Eligible NRIs/FII's on Repatriation Basis

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme ("PIS") is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

Application by FPIs

In terms of the FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit

of 24% may be increased upto the sectoral cap by way of a resolution passed by our Board followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

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 FPI Regulations, an FPI, by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated Depository Participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

Application by SEBI registered VCFs, AIFs and FVCIs

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) investee company. A category III AIF cannot invest more than 10% of their investible funds in one (1) investee company. A venture capital fund registered as a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the LM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Application by provident funds/ pension funds

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject their Application, without assigning any reason thereof

Application by limited liability partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject their Application without assigning any reason thereof.

Application by Banking Companies

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less.

Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Application by Insurance Companies

In case of Application made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject their Application without assigning any reason thereof.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time including the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDA Investment Regulations").

Application by SCSBs

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars 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 ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

In case of Application made by systemically important non-banking financial companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Application under Power of Attorney

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, 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, provident funds with a minimum corpus of ₹ 2,500 Lakhs and pension funds with a minimum corpus of ₹ 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- With respect to Applications made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories

Application by OCBs

In accordance with RBI regulations, OCBs cannot participate in this Issue.

Maximum and Minimum Application Size

1. For Retails Individual Applicants

The Application must be for a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹ 2,00,000.

2. For Other than Retail Individual Investors (Non-Institutional Investors 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 1,600 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, 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.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

ASBA Process

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

APPLICATION FORM SHALL BEAR THE STAMP OF THE SYNDICATE MEMBER /SCSBS /REGISTRAR AND SHARE TRANSFER AGENTS /DEPOSITORY PARTICIPANTS /STOCK BROKERS AND IF NOT, THE SAME SHALL BE REJECTED.

Who can apply?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Terms of payment

The entire Issue price of ₹ 80 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 Applicants. 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 Applicants 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 Applicants.

Payment Mechanism

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

Who can apply through UPI Mode:

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

Process

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: www.sebi.gov.in.

Blocking of Funds:

- a) Investors shall create UPI ID
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

Unblocking of Funds:

- a) After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds
- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.

Rejection grounds under UPI Payment Mechanism

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account

List of Banks providing UPI facility

An investors shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Electronic Registration of Applications

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary 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 on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
 1. Name of the Applicant;
 2. IPO Name;

3. Application Form number;
 4. Investor Category;
 5. PAN (of First Applicant, if more than one Applicant);
 6. DP ID of the demat account of the Applicant;
 7. Client Identification Number of the demat account of the Applicant;
 8. UPI ID (RIIs applying through UPI Mechanism)
 9. Numbers of Equity Shares Applied for;
 10. Location 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
 11. Bank account number
 12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
7. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
 8. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
 9. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
 10. 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 Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
 11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges 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.

Withdrawal of Applications

RIIs can withdraw their applications until Issue Closing Date. In case a RIIs wishes to withdraw the applications during the 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 or Sponsor Bank in the ASBA Account.

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.

Signing of Underwriting Agreement

The issue is 100% Underwritten. For further details please refer to Section titled "General Information" on page no. 24 of this Draft Prospectus.

Filing of the Offer Document with the RoC

For filing details, please refer Chapter titled “General Information” beginning on page 24 of this Draft Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where registered office of the Company is situated.

Price Discovery & Allocation of Equity shares

- a) The Issue is being made through the Fixed Price Process where in up to Equity Shares shall be reserved for Market Maker. Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid Application being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
- b) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
- c) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- d) In terms of SEBI Regulations, Non-Retail Investors shall not be allowed to either withdraw or lower the size of their applications at any stage.
- e) Allotment status details shall be available on the website of the Registrar to the Issue.

Issuance of Allotment Advice

Upon approval of the Basis of Allotment by the Designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue.

1. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
2. **Issuer will that:**
 - (i) the allotment of the equity shares; and
 - (ii) initiate corporate action for credit of shares to the successful applicant’s Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.
3. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Issuance of Confirmation Allocation Note (“CAN”)

- a) A physical book is prepared by the Registrar on the basis of the Application Forms received from Investors. Based on the physical book and at the discretion of the Company in consultation with the LM, selected Investors will be sent a CAN and if required, a revised CAN.
- b) In the event that the Offer Price is higher than the Investor Allocation Price: Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Investor and the pay-in date for payment of the balance amount. Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Investor Allocation Price, as

indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Investors.

- c) In the event the Offer Price is lower than the Investor Allocation Price: Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

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.

General Instructions

Applicants are requested to note the additional instructions provided below.

Do's:

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Read all the instructions carefully and complete the Application Form;
3. Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
4. Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time, except in case of electronic forms. Retail Individual Investors using UPI mechanism, may submit their ASBA forms with Designated Intermediary and ensure that it contains the stamp of such Designated Intermediary;
5. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
6. If the first applicant is not the ASBA account holder (or the UPI- linked bank account holder as the case may be), ensure that the Application Form is signed by the ASBA account holder (or the UPI- linked bank account holder as the case may be). Ensure that you have mentioned the correct bank account number and UPI ID in the Application Form;
7. All Applicants (other than Anchor Investors and RII using UPI Mechanism) should apply through the ASBA process only. RII not using UPI mechanism, should submit their application form directly with SCSB's and not with any designated intermediary.
8. With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Application;
9. Ensure that you request for and receive a stamped acknowledgement of your Application;
10. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner
12. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
13. Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants 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 Applicants 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.
14. Ensure that the Demographic Details are updated, true and correct in all respects;

15. 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;
16. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
17. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
18. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
20. Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise liable to be rejected; Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
21. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
22. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
23. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
24. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
25. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not pay the Application Amount in cash, cheque, by money order or by postal order or by stock invest or any mode other than stated herein;
4. Do not send Application / ASBA Forms by post, instead submit the same to the Designated Intermediary only;
5. Do not submit the Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the BRLM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on an Application Form that does not have the stamp of the Designated Intermediary;
7. If you are a Retail Individual Applicant, do not apply for an exceeding ₹ 200,000;
8. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
9. Do not submit the General Index Register number instead of the PAN;

10. As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the bids are available.
11. As an ASBA Applicant, do not instruct your respective banks to release the funds blocked in the ASBA Account;
12. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
14. If you are a QIB, do not submit your Application after 3.00 pm on the Issue Closing Date for QIBs;
15. If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 pm on the Issue Closing Date;
16. Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not submit an Application 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 Depositories);
18. If you are a QIB or a Non-Institutional Applicant, do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage;
19. Do not submit more than five (5) ASBA Forms per ASBA Account;
20. Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
21. Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>). The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
22. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism)

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (“broker”) network of Stock 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 websites of Stock Exchange.

Applicant’s Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as ‘Demographic Details’). These Bank

Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Payment by Stock Invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Other Instructions

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband 's name to determine if they are multiple applications.
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made. In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More

than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Book Running Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

- All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue, Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

Grounds for Technical Rejections

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

- a. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- b. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- c. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- d. PAN not mentioned in the Application Form;
- e. GIR number furnished instead of PAN;
- f. Applications for lower number of Equity Shares than specified for that category of investors;
- g. Applications at a price other than the Fixed Price of the Issue;
- h. Applications for number of Equity Shares which are not in multiples as stated in the chapter titled "Issue Structure";
- i. Category not ticked;
- j. Multiple Applications as defined in the Prospectus;
- k. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- l. Applications accompanied by Stock invest/ money order/ postal order/ cash;
- m. Signature of sole Applicant is missing;

- n. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- o. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- p. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- q. Applications by OCBs;
- r. Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- s. Applications not duly signed;
- t. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- u. Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- v. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- w. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- x. Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹2,00,000, received after 3.00 pm on the Issue Closing Date;
- y. Applications not containing the details of Bank Account and/or Depositories Account.
- z. Applications under the UPI Mechanism submitted by Retail Individual Investors 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);
- aa. Application submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) a tripartite agreement dated February 17, 2022 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated February 16, 2022 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No: INE0KQ001017

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) 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.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) 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.
- e) 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.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.

- g) It may be noted that 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.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted 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.

<p>Bhatia Colour Chem Limited Hiral Shah Company Secretary and Compliance Officer Address: Plot No. A/2/12, Road No. 1 Udhna Udhyog Nagar, Sangh, Udhna, Surat – 394210, Gujarat. Tel No: 0261-2270489,+91 9104294564 Website: www.bccl.info E-mail: account@bccindia.com</p>	<p>Bigshare Services Private Limited Address: 1st Floor, Bharat Tin works Building, Opp.vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059 Tel No:+91 22-62638200 Fax No +91 22-62638299 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Contact Person: Mr. Swapnil Kate SEBI Reg. No.: INR000001385</p>
--	---

Disposal of Applications

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Bidding Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 4 Working Days from the Bid/Offer Closing Date.

Impersonation

Attention of the Applicant 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”.

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) 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 3 (three) times the amount involved in the fraud”.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchange, along with the Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

AT PAR FACILITY

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that “at par” facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

Grounds for Refund

Non-Receipt of Listing Permission

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of forth days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue 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 money has to be returned within such 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond four days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

Minimum Number of Allottees

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

Mode of Refunds

- a) **In case of ASBA Bids:** Within 6 (six) Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.

- b) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.
- c) **In case of Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (i) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- (ii) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (iii) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (iv) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicants account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the BRLM or the Registrar to the Offer or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- (v) Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to Draft Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

Completion of Formalities for listing & Commencement of Trading

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

BASIS OF ALLOTMENT

Allotment will be made in consultation with Stock Exchange (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 1,600 equity shares the allotment will be made as follows:
 - a. Each successful applicant shall be allotted 1,600 equity shares; and
 - b. The successful applicants out of the total applicants for that category shall be determined by the 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 (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,600 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,600 equity shares subject to a minimum allotment of 1,600 equity shares.
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. If as a result of the process of rounding off to the lower nearest multiple of 1,600 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in the Draft Prospectus.
6. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
 - a. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made

available for allocation to applicants in the other category, if so required.

If the retail individual investor is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' of this Draft Prospectus.

'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 the Stock Exchange.

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% of the Issue size which 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 Stock Exchange in addition to 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, 2018.

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.

Undertaking by our Company

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. The Equity Shares proposed to be issued by it in the Issue shall be allotted and credited to the successful applicants within the specified time in accordance with the instruction of the Registrar to the Issue;
9. If the Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within fifteen (15) days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15% per annum for the delayed period
10. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh draft prospectus with Stock Exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;

11. That the Promoters' contribution in full, if required, shall be brought in advance before the Issue opens for subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on Applicants in accordance with applicable provisions under SEBI ICDR Regulations;
12. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
13. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
14. That it shall comply with such disclosure and account norms specified by SEBI from time to time

Utilization of Issue Proceeds

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act; 2013
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

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, 1991 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 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 of India 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.

FDI for items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Foreign Investment is allowed up to 100% under automatic route in our Company subject to certain conditions. For further details, please see the chapter titled “Key Industry Regulations and Policies” beginning on page 66 of this Draft Prospectus.

RBI also issues Master Directions - Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by the RBI. In terms of the Master Directions, 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 applicable pricing guidelines prescribed under the Master Directions. 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 the filing of Form FC-GPR.

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 attracts SEBI (SAST) Regulations subject to the adherence to 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, conditionality’s (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,

conditionality's (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 the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment to 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 the 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 with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

Subject to the provisions of the FDI policy, foreign investment in 'manufacturing' sector is under the automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

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 that is:

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 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.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Title of Article	Article Number	Content
CONSTITUTION OF THE COMPANY		The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.
INTERPRETATION	I.(1)	In these regulations - (a) "the Act" means the Companies Act, 2013, (b) "the seal" means the common seal of the company.
	(2)	Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.
PUBLIC COMPANY	II. (1)	The company is a "Public Company" within the meaning of Section 2 (71) of the Companies Act, 2013 and accordingly:- (i) is not a private company; (ii) has a minimum paid up share capital as may be prescribed:
SHARE CAPITAL AND VARIATION OF RIGHTS	III. (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 board of 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)	<p>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. However the aforesaid time limit may be extended by the board of director by a resolution thereto.</p> <p>ii. Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary: Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.</p> <p>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.</p>
	(3)	<p>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 an amount not exceeding twenty rupees for each certificate.</p> <p>ii. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.</p>

	(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)	<p>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.</p> <p>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.</p> <p>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.</p>
	(6)	<p>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.</p> <p>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.</p>
	(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.
LIEN	(9)	<p>i. The company shall have a first and paramount lien—</p> <p>(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</p> <p>(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:</p> <p>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.</p> <p>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.</p>
	(10)	<p>The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:</p> <p>Provided that no sale shall be made—</p> <p>(a) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</p>
	(11)	<p>i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>ii. The purchaser shall be registered as the holder of the shares comprised in any</p>

		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.
CALLS ON SHARES	(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 or a condition of allotment for payment of call may be revoked or postponed or altered 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 or any committee thereof authorising the call was passed and may be required to be paid by installments.
	(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— (a) 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 (b) 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.
TRANSFER OF SHARES	(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 subsection (1) of section 56; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, 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.
TRANSMISSION OF SHARES	(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.
FORFEITURE OF SHARES	(27)	If a member fails to pay any call, or installment 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 installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
	(28)	The notice aforesaid shall—

		<p>(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</p> <p>(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.</p>
	(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)	<p>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</p> <p>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p>
	(31)	<p>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.</p> <p>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.</p>
	(32)	<p>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;</p> <p>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;</p> <p>iii. The transferee shall thereupon be registered as the holder of the share;</p> <p>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.</p>
	(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.
ALTERATION OF CAPITAL	(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)	<p>Subject to the provisions of section 61, the company may, by ordinary resolution,—</p> <p>(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</p> <p>(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</p> <p>(c) sub-divide, reclassify the shares in different classes or its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</p> <p>(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.</p>
	(36)	<p>Where shares are converted into stock,—</p> <p>(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:</p> <p>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.</p> <p>(b) the holders of stock shall, according to the amount of stock held by them, have</p>

		<p>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.</p> <p>(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.</p>
	(37)	<p>The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—</p> <p>(a) its share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any share premium account.</p>
CAPITALISATION OF PROFITS	(38)	<p>i. The company in general meeting may, upon the recommendation of the Board, resolve—</p> <p>(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</p> <p>(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, or such member(s) as may be decided by members by way of special resolution.</p> <p>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—</p> <p>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(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;</p> <p>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);</p> <p>(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;</p> <p>(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.</p>
	(39)	<p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and</p> <p>(b) generally do all acts and things required to give effect thereto.</p> <p>ii. The Board shall have power—</p> <p>(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</p> <p>(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;</p> <p>iii. Any agreement made under such authority shall be effective and binding on such members.</p>
BUY-BACK OF	(40)	<p>Notwithstanding anything contained in these articles but subject to the provisions of</p>

SHARES		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.
GENERAL MEETINGS	(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.
PROCEEDINGS AT GENERAL MEETINGS	(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.
ADJOURNMENT OF MEETING	(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.
VOTING RIGHTS	(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.
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.
BOARD OF DIRECTORS	(58)	The number of the directors and the names of the first directors are as under: 1. Bharat Brijlal Bhatia 2. Rameshchand Chanduram Bhatia 3. Ravi Ashokkumar Bhatia
	(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 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 think 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.
PROCEEDINGS OF THE BOARD	(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)	<ul style="list-style-type: none"> 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)	<ul style="list-style-type: none"> 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)	<ul style="list-style-type: none"> 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)	<ul style="list-style-type: none"> 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 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.
CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER	(74)	<p>Subject to the provisions of the Act,—</p> <ul style="list-style-type: none"> 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.
THE SEAL	(76)	<ul style="list-style-type: none"> 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 one director or such other person as the Board may appoint for the purpose; and that director or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.
DIVIDENDS AND	(77)	The company in general meeting may declare dividends, but no dividend shall

RESERVE		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)	<p>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.</p> <p>ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>
	(80)	<p>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.</p> <p>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.</p> <p>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.</p>
	(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)	<p>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.</p> <p>ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>
	(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.
ACCOUNTS	(86)	<p>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.</p> <p>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.</p>
WINDING UP	(87)	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>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.</p> <p>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</p>

		<p>division shall be carried out as between the members or different classes of members.</p> <p>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.</p>
INDEMNITY	(88)	Every officer of the company shall be indemnified from time to time out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal in relation to business of company or as officer of the company.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the ROC for registration. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot No. A/2/12, Road No. 1 Udhna Udhyog Nagar, Sangh, Udhna, Surat – 394210, Gujarat, between 10:00 a.m. and 5:00 p.m. (IST) on all Working Days from the date of this Draft Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A) Material contracts for the Issue

1. Issue Agreement dated February 21, 2022 between our Company and the Lead Manager.
2. Registrar Agreement dated February 21, 2022 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated February 21, 2022 amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated February 21, 2022 amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated February 22, 2022 amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite Agreement dated February 16, 2022 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue
7. Tripartite Agreement dated February 17, 2022 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

B) Material documents for the Issue

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated February 18, 2022 in relation to the Issue and other related matters.
3. Shareholders' resolution dated February 21, 2022 in relation to the Issue and other related matters.
4. Consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Lead Manager, Legal Advisor to the Issue, the Registrar to the Issue, Underwriters to the Issue, Bankers to our Company, Market Maker and Banker to the Issue to include their names in this Draft Prospectus and to act in their respective capacities.
5. Peer Review Auditors Report dated February 22, 2022 on Restated Financial Statements of our Company for the period ended February 18, 2022.
6. The Report dated February 22, 2022 from the Statutory Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Prospectus.

7. Copy of approval in- from BSE Limited vide letter dated [●] to use the name of BSE SME in this offer document for listing of Equity Shares on BSE SME.
8. Agreement dated January 25, 2022, entered into by our Company with Bharat Bhatia appointment as a Managing Director of the company.
9. Agreement dated January 25, 2022, entered into by our Company with Rameshchand Bhatia appointment as a Whole Time Director of the company.
10. Agreement dated January 25, 2022, entered into by our Company with Ravi Bhatia appointment as a Whole Time Director of the company.
11. Due diligence certificate shall be submitted to SEBI by Lead Manager to the Issue.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

Signed by the Directors of the Company:

Name	Designation	Signature
Mr. Bharat Brijlal Bhatia	Managing Director	Sd/-
Mr. Rameshchand Chanduram Bhatia	Whole-Time Director	Sd/-
Mr. Ravi Ashokkumar Bhatia	Whole-Time Director	Sd/-
Ms. Insiya Qaidjohar Nalawala	Independent Director	Sd/-
Mr. Nevil Pramesh Soni	Independent Director	Sd/-
Ms. Rutu Milindbhai Sanghvi	Independent Director	Sd/-

Signed by:

Name	Designation	Signature
Mr. Sunny Harishkumar Vyaswala	Chief Financial Officer	Sd/-
Ms. Hiral Jainesh Shah	Company Secretary and Compliance Officer	Sd/-

Place: Surat

Date: February 24, 2022