





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

REGISTER OFFICE		CONTACT PERSON	
57 Ashra Industrial Estate, B/H Mahalaxmi Fabrics, Nr. Narol Cross Road, Ahmedabad 382405, Gujarat, India.		Kushang Thakkar Company Secretary and Compliance Officer	
EMAIL	TELEPHONE NO.	WEBSITE	
cs@kalahridhaan.com	Tel No.: +91 6353302166	www.kalahridhaan.com	
OUR PROMOTERS OF THE COMPANY			
Niranjan Agarwal and Aditya Agarwal			
Type	Fresh Issue Size (₹ in Lakhs)	Eligibility 229(1) / 229(2) & Share Reservation among NII & RII	
Fresh Issue	[●]	The Issue is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations. As the Company's post issue paidup capital is more than ₹10.00 Crores and upto ₹25.00 Crore	
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. 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.63 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 issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares 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.20 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 SME Platform of National Stock Exchange of India Limited ("NSE Emerge"). 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 National Stock Exchange of India Limited(NSE) for using its name in this offer document for listing of our shares on the SME Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited("NSE").			
LEAD MANAGER		REGISTRAR TO THE ISSUE	
	INTERACTIVE FINANCIAL SERVICES LIMITED Address: 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad – 380 009, Gujarat, India Tel No.: 079 46019796 (M) +91-9898055647 Web Site: www.ifnservices.in Email: mbd@ifnservices.in Investor Grievance Email: info@ifnservices.in Contact Person: Pradip Sandhir SEBI Reg. No.: INM000012856		BIGSHARE SERVICES PRIVATE LIMITED Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Tel No.: +91 22-62638200 Fax No.: +91 22-62638299 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Mr. Vinayak Morbale SEBI Reg. No.: INR000001385
ISSUE PROGRAMME			
ISSUE OPENS ON: [●]		ISSUE CLOSES ON: [●]	



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

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

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

PROMOTERS OF THE COMPANY: NIRANJAN AGARWAL AND ADITYA AGARWAL	
THE ISSUE	
<p>INITIAL PUBLIC ISSUE OF UPTO 50,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF KALAHRIDHAAN TRENDZ LIMITED (“KTL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] (“THE ISSUE”), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO [●] LACS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE NO. 177 OF THIS DRAFT PROSPECTUS.</p>	
THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE	
<p>This issue is being made through Fixed Price Process in terms of Chapter IX of the Securities And Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (“SEBI ICDR Regulations”) and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI ICDR Regulations. In terms of the Regulation 19(2)(B)(I) of the Securities Contracts (Regulations) Rules, 1957, as amended (the “SCRR”), the issue is being made for at least 25% of the post-paid-up Share capital of our Company. All the bidders, shall participate in the issue through the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank account (including UPIID for RIIs using UPI Mechanism) wherein the bid amount will be blocked by the SCSBs or under the UPI mechanism, as the case may be, to the extent of respective Bid amounts. For details Please refer to chapter titled “Issue Procedure” beginning on Page 186 of this Draft Prospectus.</p>	
<p>All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account and UPI ID in case of RIIs, if applicable, in which the application amount shall be blocked by the Self-Certified Syndicate Banks (“SCSBs”) or under UPI Mechanism as the case may be. For details in this regard, specific attention is invited to chapter titled “Issue Procedure” on page 186 of this Draft Prospectus.</p>	
RISK IN RELATION TO THE FIRST ISSUE	
<p>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 [●] 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. 63 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.</p>	
GENERAL RISKS	
<p>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.20 of this Draft Prospectus.</p>	
ISSUER’S ABSOLUTE RESPONSIBILITY	
<p>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.</p>	
LISTING	
<p>The Equity Shares offered through the Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited (“NSE Emerge”). 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 National Stock Exchange of India Limited (NSE) for using its name in this offer document for listing of our shares on the SME Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).</p>	
LEAD MANAGER	REGISTRAR TO THE ISSUE
<p>INTERACTIVE FINANCIAL SERVICES LIMITED Address: 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyasa Marg, Ellisbridge, Ahmedabad – 380 009, Gujarat, India Tel No.: 079 46019796 (M) +91-9898055647 Web Site : www.ifinservices.in Email : mbd@ifinservices.in Investor Grievance Email: info@ifinservices.in Contact Person: Mr. Pradip Sandhir SEBI Reg. No.: INM000012856</p>	<p>BIGSHARE SERVICES PRIVATE LIMITED Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Tel No.: +91 22-62638200 Fax No.: +91 22-62638299 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Mr. Vinayak Morbale SEBI Reg. No.: INR000001385</p>
ISSUE PROGRAMME	
ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies 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 numbers 68,123,158 and 214 respectively, shall have the meanings ascribed to such terms in the respective sections.

GENERAL TERMS

Term	Description
“KTL”, “KALAHRIDHAAN”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Kalahridhaan Trendz Limited, a Public limited company incorporated under the Companies Act, 2013 and having Registered Office at 57, Ashra Industrial Estate, B/h Malalaxmi Fabrics, Near Narol Cross Road, Narol, Ahmedabad-382405, India.
Promoters	Niranjan Agarwal and Aditya Agarwal
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (pp) of the SEBI ICDR Regulations, 2018.
“you”, “your” or “yours”	Prospective Investors in this Issue

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company as amended from time to time
Auditors of the Company	The Statutory auditors of our Company, being M/s. Piyush Kothari & Associates, Chartered Accountants.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “Our Management” beginning on page 109 of this Draft Prospectus.
Associate Companies	A body corporate in which our company has a significant influence and includes a joint venture company.
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof
Company Secretary and Compliance Officer	The Company Secretary of our Company, being Mr. Kushang Surendrakumar Thakkar.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Yash Agarwal.
Act or Companies Act	The 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 Kalahridhaan Trendz Limited unless otherwise specified

Equity Shares	Equity Shares of our Company having Face Value of ₹ 10 each unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company
ED	Executive Director
Fresh Issue	The fresh issue of upto 50,00,000 Equity Shares of Face Value of Rs. 10 each at Rs. [●] (including premium of Rs. [●]) per Equity Share aggregating to Rs. [●] Lakhs to be issued by our Company as part of the Offer, in terms of the Draft Prospectus.
Group Companies	Companies (other than our Corporate Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “Financial Information of Our Group Companies” on page 166 of this Draft Prospectus
Independent Director	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to chapter titled “Our Management” beginning on page 109 of this Draft Prospectus
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number is INE02M801018
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 109 of this Draft Prospectus
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on September 01, 2023 in accordance with the requirements of the SEBI (ICDR)Regulations, 2018 as amended from time to time
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Board described in the chapter titled “Our Management” on page 109 of this Draft Prospectus.
Registered Office	The Registered office of our Company, located at 57, Ashra Industrial Estate, B/h Malalaxmi Fabrics, Near Narol Cross Road, Narol, Ahmedabad-382405, India.
ROC/Registrar of Companies	Registrar of Companies, Ahmedabad.
Restated Financial Statements	The restated audited financial statements of our Company for the Financial Years ended on March 31 2023, 2022 and 2021 which comprises of the restated audited balance sheet, restated audited statement of profit and loss and the restated audited cashflow statement, together with the annexures and notes thereto disclosed in chapter titled “Restated Financial Statements” on page 123 of this Draft Prospectus
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s Piyush Kothari & Associates, Chartered Accountants
PLC	Public Limited Company
PTC	Private Limited Company
Stakeholder’s Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted as the Company’s Stakeholder’s Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled “Our Management” on page 109 of this Draft Prospectus.
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
Acknowledgement Slip	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Lot	[●] Equity Shares and in multiples thereof
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Draft Prospectus / Prospectus
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.
Allot / Allotment / Allotted / Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued
Allotment Advice	Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made
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. 209 of this Draft Prospectus
Bankers to our Company	ICICI Bank Limited and Karnataka Bank Limited
Banker to the Issue / Refund Banker / Public Issue Bank	[●]
Business Day	Any day on which commercial banks are open for the business.
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
Client ID	Client Identification Number of the Applicant ‘s Beneficiary Account
Collection Centers	Broker Centers notified by Stock Exchange where bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers, are available on the website of the NSE.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no.GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches/Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Bidders with the Registrar to the Issue and the Stock Exchange and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable).
Depositories	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under

	the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depository Participant/DP	A depository participant registered with SEBI under the Depositories Act, 1996
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e., www.nseindia.com .
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Issue
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
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue
Designated Market Maker	Sunflower Broking Private Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated RTA Locations	Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant sand a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes Recognized Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”).
Draft Prospectus	This Draft Prospectus dated September 29, 2023 filed with the SME Platform of NSE (NSE Emerge), prepared and issued by our Company in accordance with SEBI (ICDR) Regulations
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Prospectus /Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Draft Prospectus /Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Applicant Amount
Escrow Agreement	An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof.

Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being [●]
First Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof
Foreign Portfolio Investor /FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled “Issue Procedure” on page 186 of this Draft Prospectus
Issue Agreement	The agreement dated September 25, 2023 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
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 such date and the Issue Opening Date) during which prospective bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of bidders.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of upto 50,00,000 Equity Shares of Face Value of ₹ 10 each at Rs. [●] (including premium of Rs. [●]) per Equity Share aggregating to Rs. [●] Lakhs by Kalaharidhaan Trendz Limited.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. [●].
Issue Proceeds	The proceeds from the Issue based on the total number of equity shares allotted under the issue
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 NSE Emerge. (“NSE EMERGE”)
Market Making Agreement	The Market Making Agreement dated September 25, 2023 between our Company, Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of ₹10.00/- each fully paid-up for cash at a price of Rs. [●] per Equity Share including a share premium of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs for the Market Maker in this Issue
MSME	Micro Small and Medium Enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NBFC	Non- Banking Financial Companies
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of Rs. 10 each at Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs by Kalaharidhaan Trendz Limited.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to chapter titled “Objects of the Issue” on page 58 of this Draft Prospectus
Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII	All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000.

NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India and Indian Banks Association (IBA)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context may require.
Prospectus	The Prospectus dated [●] issued in accordance with Companies Act filed with the SME Platform of NSE (NSE Emerge) 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.
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable.
Registered Brokers	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of National Stock Exchange of India Limited having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012
Registrar Agreement	The agreement dated September 25, 2023 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
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.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidder can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date
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 on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.

SME Platform of NSE	The SME platform of NSE, approved by SEBI as SME Platform of NSE (NSE Emerge) for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Sponsor Bank	A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company and the Selling Shareholder, in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [*].
Syndicate Member	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter.
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form
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.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID Created on the UPI for single-window mobile payment system developed by NPCI.
UPI Mandate Request	A request (intimating the RIB (Retail Individual Bidder) by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Underwriter	Underwriters to the issue is Interactive Financial Services Limited.
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated September 25, 2023.
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.

Working Days	<p>In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in the Prospectus are open for business.</p> <p>1. However, in respect of announcement of price band and Bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business.</p> <p>2. In respect to the time period between the Bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.</p>
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TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
BFSI	Banking, Financial Services and Insurance
CAGR	Compound Annual Growth Rate
CD	Cationic Semi Dull Cationic Super Bright
CIS	Competitiveness Incentive Support
CPI	Consumer Price Index
CSO	Central Statistics Office
CRM	Client relationship Management
DGT	Di-Glycol Terephthalate
DMT	Di-Methyl Terephthalate
ERP	Enterprise Resource Planning
FD	Full Dull
FSI	Floor Space Index
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
GVA	Gross Value Add
HS Code	Harmonized System Codes
IMF	International Monetary Fund
ISO	International Organization for Standardization
MAHTI	Market-specific Average HH income level to buy a house in a city
MEG	Mono Ethylene Glycol
MITRA	Mega Integrated Textile Region and Apparel Parks
MMF	Man-Made Fibres
MSF	Million Square Feet
N.E.C.	Not Elsewhere Classified
NICD	National Industrial Corridor Development
NSO	National Statistical Office
OECD	Organisation for Economic Co-operation and Development
PET	Polyethylene Terephthalate
PFCE	Private Final Consumption Expenditure
PFY	Polyester filament yarn
PLI	Production Linked Incentives
POY	Partially oriented yarn
PSF	Polyester Staple Fibre
PTA	Purified Terephthalic Acid
RERA	Real Estate Regulatory Authority
SB	Super Bright
SD	Semi Dull
TDR	Transferable Development Rights

UHNIs	Ultra-High Networth Individuals
VFY	Viscose Filament Yarn
VSF	Viscose Staple Fibre

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
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
BHIM	Bharat Interface for Money
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CARO	Companies (Auditor's Report) Order, 2016, as amended
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time
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
FPI	Foreign Portfolio Investor
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
GST Act	The Central Goods and Services Tax Act, 2017
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standard
I.T. Act	Income Tax Act, 1961, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
INR/ Rs. / Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offering
KMP	Key Managerial Personnel
Ltd.	Limited
LM	Lead Manager
MCA	Ministry of Corporate Affairs
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
MSMEs	Micro, Small & Medium Enterprises
NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
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
NSE	National Stock Exchange
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
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
RBI	Reserve Bank of India
R & D	Research and Development
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RONW	Return on Net Worth
ROCE	Return on Capital Employed
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, 2015, 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.
SENSEX	Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small And Medium Enterprises
SME Exchange	SME Platform of NSE Emerge. (“NSE EMERGE”)
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 NSE Limited
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
Tn	Trillion
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.
YoY	Year on Year

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 on March 31 2023, 2022, 2021 and 2020, 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 'Restated Financial Information' beginning on page no.123 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 20, 81 and 147 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 Lakhs and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

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.
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Inability to identify or effectively respond to customer needs, expectations or trends in a timely manner;

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 20,81 and 147 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.

SUMMARY OF ISSUE DOCUMENT

SUMMARY OF BUSINESS

Our Company is engaged in mainly in the business of manufacturing and trading of Fabric with embroidery works, Trading of grey cloths, purchase of grey cloth and printing and dyeing for preparing suiting, shirting and dress materials for sale it in the market.

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

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

For more details, please refer chapter titled “Business Overview” on page 81 of this Draft Prospectus.

SUMMARY OF INDUSTRY

India is the world’s second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India has a 4% share of the global trade in textiles and apparel. The textiles and apparel industry contribute 2.3% to the country’s GDP, 13% to industrial production and 12% to exports. The textile industry has around 45 million of workers employed in the textiles sector, including 3.5 million handloom workers. The textile industry has around 45 million of workers employed in the textiles sector, including 3.5 million handloom workers. India’s textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Total textile exports are expected to reach US\$ 65 billion by FY26. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 135 billion by 2025. The Rs. 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major boost for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

GROWTH DRIVERS OF TEXTILES INDUSTRY

The Indian textiles market is expected to be worth >US\$ 209 billion by 2029.

India’s textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22.

In December 2022, the Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, Mr. Piyush Goyal, advocated that India should take its textile exports to US\$ 100 billion by 2030.

In September 2021, the government approved a Rs. 10,683 crore (US\$ 1.44 billion) production-linked incentive (PLI) scheme for the textiles sector. This will benefit the textile manufacturers registered in India.

Incentives under the scheme will be available for five years from 2025-26 to 2029-30 on incremental turnover achieved from 2024- 25 to 2028-29. The scheme proposes to incentivise MMF (manmade fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

For more details, please refer chapter titled “Industry Overview” on page 71 of this Draft Prospectus.

PROMOTERS

The Promoters of our Company are Niranjan Agarwal and Aditya Agarwal.

For detailed information please refer chapter titled, “Our Promoters” and “Our Promoter Group” on page 119 of this Draft Prospectus.

ISSUE SIZE

Initial Public Issue of upto 50,00,000 Equity Shares of face value of ₹10/- each of Kalahridhaan Trendz Limited (“KTL” or the “Company” or the “Issuer”) for cash at a price of ₹[●] per Equity Share including a share premium of ₹[●] per equity share (the “issue price”) aggregating to ₹[●] (“the issue”), of which [●] Equity Shares of face value of ₹10/- each will for cash at a price of ₹[●] per Equity Share including a share premium of ₹[●] per equity share aggregating to ₹[●] 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 [●] Equity Shares of face value of ₹10/- each at a price of [●] per equity share aggregating to ₹[●] lacs is herein after referred to as the “Net Issue”. The issue and the net issue will constitute [●] and [●] respectively of the post issue paid up equity share capital of our company.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds from the issue towards 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	[●]
2.	Less: Issue related expenses	[●]
Net proceeds of the issue		[●]

Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Working capital requirement	1607.00
2.	General corporate purposes	[●]
Total utilization of net proceeds		[●]

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

Sr. No	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoter					
1.	Aditya Agarwal	24,47,898	20.08	24,47,898	14.24
2.	Niranjan Agarwal	73,26,898	60.11	73,26,898	42.63
	TOTAL (A)	97,74,796	80.19	97,74,796	56.87
(i) Promoter Group					
3.	Sunitadevi Agarwal	24,14,034	19.80	24,14,034	14.04
	TOTAL (B)	24,14,034	19.80	24,14,034	14.04
(iii) Public					
4.	Surendrasingh Rathod	34	Negligible	34	Negligible
5.	Rajeshkumar Agarwal	34	Negligible	34	Negligible
6.	Hitesh Prajapati	34	Negligible	34	Negligible
7.	Mahesh Sharma	34	Negligible	34	Negligible
8.	Sunil Maniyar	34	Negligible	34	Negligible
9.	IPO	-	-	50,00,000	29.09

10.	TOTAL (C)	170	0.01	50,00,170	29.09
11.	TOTAL (A+B+C)	1,21,89,000	100.00	1,71,89,000	100

SUMMARY OF FINANCIAL INFORMATION

(Rs. in Lacs)

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022	For the Year ended on March 31, 2021
Share Capital (₹ in Lakhs)	609.45	609.45	609.45
Net worth (₹ in Lakhs)	1202.78	536.77	290.56
Revenue from Operation (₹ in Lakhs)	18,416.85	18,390.14	13,235.91
Other Income (₹ in Lakhs)	0.16	0.32	-
Profit after Tax (₹ in Lakhs)	666.01	246.20	110.54
Earnings per share (Basic & diluted) (₹)	10.93	4.04	1.81
Net Asset Value per Equity Share (Basic & diluted)	29.74	18.81	14.77
Total borrowings (₹ in Lakhs)	6105.33	5249.90	3145.56

QUALIFICATIONS OF AUDITORS

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

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

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

Particular	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation against Company	Income Tax	1	6.80
Litigations Filed by Our Company	Criminal Litigations	1	32.20
	Civil Proceedings	2	79.88
Litigation against the Director of the Company	Income Tax	9	291.46
Litigation filed by the promoter and directors of the Company	-*	-	-
Litigation against Subsidiary Company	-	-	-

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

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 158 of this Draft Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” on page 20 of this Draft Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As on the date of filing this Draft Prospectus there is no contingent liability on the Company.

For detailed information of Contingent Liabilities of our Company, please refer chapter titled “Restated Financial Statement” beginning on page no. 123 of this Draft Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

a) Name of Related Party & Nature of Relationship:

Sr. No.	Name of Related Party	Description of relationship
1	Aditya N. Agrawal	Director
2	Niranjan Agrawal	Director
3	Sunitadevi N. Agarwal	Director
4	Aditya Exim	Entities Under Common Control
5	Manish Garment	Entities Under Common Control
6	Katex Exim Pvt Ltd	Entities Under Common Control
7	Aditya Corporation	Entities Under Common Control

b) Transactions with Related Parties during the year/period and balances as at the year/period end:

RELATED PARTY TRANSACTIONS			(In Lakhs)		
Nature of Transaction	Related Parties	Relation	2022-23	2021-22	2020-21
Remuneration (including bonus)	Aditya Agrawal	Director	-	1.50	1.50
	Niranjan Agrawal	Director	12.00	1.50	1.50
Sale of Goods	Aditya Exim	Entities Under Common Control	720.53	546.68	519.33
	Manish Garment	Entities Under Common Control	334.97	249.34	67.27
	Katex Exim Limited	Entities Under Common Control	113.15	-	516.31
Purchase and Job work	Manish Garment	Entities Under Common Control	103.74	120.27	60.06
	Aditya Exim	Entities Under Common Control	993.14	749.47	1,507.74
	Katex Exim Limited	Entities Under Common Control	-	-	0.95
Loan receipt	Aditya Agarwal	Director	41.39	-	-
	Sunitadevi Agarwal	Director	14.00	-	-
	Niranjan Agrawal	Director	-	1,068.96	1,959.61
	Aditya Corporation	Entities Under Common Control	-	10.00	-
Loan Repayment	Niranjan Agrawal	Director	18.32	1,018.10	1,108.87
	Aditya Exim	Entities Under Common Control	-	-	91.10
	Aditya Corporation	Entities Under Common Control	10.00	-	-
Rent Expense	Manish Garment	Entities Under Common Control	3.00	3.00	3.00
Closing Balance	Receivable against Sale of Goods (Net of Payable against Purchase)				
	Aditya Exim	Entities Under Common Control	202.71	289.93	36.77
	Manish Garment	Entities Under Common Control	-82.34	63.46	18.09
	Katex Exim Limited	Entities Under Common Control	-	-	0.23
	Payable for Rent				
	Manish Garment	Entities Under Common Control	3.24	3.24	3.54
	Payable for Director Remuneration				
	Niranjan Agrawal	Director	-	1.50	1.50

	Aditya N Agrawal	Director	-	1.50	1.50
	Unsecured Loan				
	Sunitadevi N. Agarwal	Director	14.00	-	-
	Aditya N Agrawal	Director	41.39	-	-
	Niranjan Agrawal	Director	1570.17	1013.72	842.90
	Aditya Corporation	Entities Under Common Control	-	10.00	-

For detailed information on the related party transaction executed by our Company, please refer chapter titled “Restated Financial Statement” beginning on page 123 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 Equity Shares acquired in the last one year from the date of this Draft Prospectus	Weighted Average Cost of Acquisition (in Rs)
1.	Mr. Aditya Agarwal	12,23,949	NIL
2.	Mr. Niranjan Agarwal	36,63,449	Nil

AVERAGE COST OF ACQUISITION

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

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

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 Total Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Name of Allottees	No. of Shares Allotted	Nature of Allotment / Reason	Benefit Accrued
July 10, 2023	60,94,500	10	N.A	Aditya Agarwal	12,23,949	Bonus Issue in the ratio of (1:1) i.e. 1 Equity Shares for 1 existing Equity Shares	Retaining interest of the Shareholders
				Sunitadevi Agarwal	12,07,017		
				Niranjana Agarwal	36,63,449		
				Surendrasingh Rathod	17		
				Rajesh Agarwal	17		
				Hitesh Prajapati	17		
				Mahesh Sharma	17		
				Sunil Maniyar	17		

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in last one year.

SECTION II–RISK FACTORS

This Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no. 81, 34, 71, 123 158 and 147 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial conditions and prospects.

This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Draft prospectus.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. 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 consequences to you of an investment in the Equity Shares.

The financial information in this section is, unless otherwise stated, derived from our Restated Financial Information prepared in accordance with Indian GAAP, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations

MATERIALITY

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

- 1. Some risks may not be material individually but may be material when considered collectively;*
- 2. Some risks may have material impact qualitatively instead of quantitatively;*
- 3. Some risks may not be material at present but may have a material impact in the future;*
- 4. Some events may have material impact quantitatively.*

NOTE

The risk factors are disclosed as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” and elsewhere in this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in our Restated Financial Information prepared in accordance with Indian GAAP.

Unless otherwise specifically provided in the respective Risk factors given below, the amounts of impact of risks specified hereunder, on our financial conditions, are not quantifiable.

INTERNAL RISK FACTORS:

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

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

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

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

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

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

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

Particular	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation against Company	Income Tax	1	6.80
Litigations Filed by Our Company	Criminal Litigations	1	32.20
	Civil Proceedings	2	79.88
Litigation against the Director of the Company	Income Tax	9	291.46
Litigation filed by the promoter and directors of the Company	-*	-	-
Litigation against Subsidiary Company	-	-	-

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

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

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

There have been instances of delay in filing of GST returns in the past which were due to initial technological issue with GST portal, limited time frame for staff to align with the amendments in the initial years and multiple clarifications issued

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

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

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

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

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

Capacity and Capacity Utilization of Manufacturing/Weaving Unit

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

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

Our Manufacturing Facility is located in the State of Gujarat. In the event there are any disruptions at our manufacturing facilities, due to natural or man-made disasters, workforce disruptions, regulatory approval delays, fire, failure of machinery, lack of access to assured supply of electrical power and water at reasonable costs or any significant social, political or economic disturbances, could reduce our ability to meet the conditions of our contracts, manufacture our products and adversely affect sales and revenues from operations in such period. Although we have not faced any such instances till the date of this Draft Prospectus.

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

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

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

6. *At present, our promoter group companies Shree Laxminarayan Weaving Private Limited, Aadi Texworld Private Limited and Katex Exim Limited have similar objects to deal in the products in which issuer company is engaged which may create a conflict of interest. Further, we do not enjoy contractual protection by way of a non-compete or other agreement or arrangement with our group companies*

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

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

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

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

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

We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes in the existing labour legislations, including upward revision of wages required by such state governments to be paid to such labourers, limitations on the number of hours of work or provision of improved facilities, such as food or safety equipment, may adversely affect our business and results of our operations.

Further, there can be no assurance that disruptions in our business will not be experienced in future, if there are strikes, work stoppages, disputes or other problems with labourers at our manufacturing units, this may adversely affect our business and cash flows and results of operations.

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

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

Our revenue is materially attributable from Textiles, through Wet Processing & Finishing Machines from Scouring and Bleaching to Dyeing & Printing to Finishing and Folding with the latest fully Automatic Control Instruments. The demand for our products and margin of our products is dependent and are directly affected by factors affecting these industries.


Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of products on account of breakthrough in the development or invention of alternate formulations, may expose us to the risk of our products becoming obsolete or being substituted by such alternatives. Any failure on our part to effectively address such situations or to successfully introduce alternate products or the shifting of the practice in these industries towards developing substitutes of our products could adversely affect our business, results of operations, financial condition and cash flows.


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

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

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

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

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

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

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

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

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

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

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

14. Our Group Companies have incurred losses in the past

(Rs. In lacs)	
Particulars	March 31, 2022
Odles E-Commerce Private Limited	(10.84)

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

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

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

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

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

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

As on March 31, 2023, our Company has availed of unsecured loans from the promoters and promoter group repayable on demand aggregating to Rs. 2166.81 Lacs. Any demand by the lender for the repayment of unsecured loan will disturb the cash flow of the Company and it will disturb our production cycle and if we are not able to replace the loan with the same terms or more favorable terms then the revenue, profitability and business will be adversely affected. However the promoters have given personal guarantee for the loan sanctioned by the bank and one of the condition is to maintain the funds brought in by the Company. If the Promoter withdraws the unsecured loan, it will be violation of the condition of

the sanction of bank and bank may recall the loan disbursed to the Company and that will hamper the business of the Company.

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

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

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

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

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

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

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

(Rs. In Lacs)

Particulars	31.03.2021	31.03.2022	31.03.2023	31.03.2024
	Audited	Audited	Audited	Projected
Raw Material	1484.94	1044.3	317.18	1022.27
Work in Progress				
Finished Goods	2118.46	4179.19	4467.22	5125.00
Trade Receivables	2087.52	4801.05	5469.71	6150.00
Cash and Bank Balances	10.77	7.68	5.84	15.00
Short term Loans and advances	187.95	133.08	136.1	150.00
Other current Assets	0.87	-	-	-
Total	5890.51	10165.3	10396.05	12462.27
Less :				
Trade Payables	1852.4	3803.66	3189.68	3608.00
Other Current Liabilities	28.42	24.64	33.61	50.00
Provisions	62.1	70.91	137.02	150.00
Total Liabilities	1942.92	3899.21	3360.31	3808.00
Net Working Capital	3947.59	6266.09	7035.74	8654.27

Less : Bank Borrowings	1671.23	3469.89	3496.37	3500.00
Balance	2276.36	2796.2	3539.37	5154.27
Financed through Capital Internal Cash Accruals and unsecured Borrowings	2276.36	2796.2	3539.37	3547.29
Fund from IPO				1606.98

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

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

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

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

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

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

(₹ In Lacs)

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

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

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

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

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

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

We depend upon information technology systems and third-party software, including internet-based systems, for our business operations, and these systems facilitate the flow of real-time information across departments and allows us to make information driven decisions and manage performance. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Any such disruption may result in the loss of key information and disrupt our operations. In addition, our systems are potentially vulnerable to data security

breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. Although we have not experienced any significant disruptions to, or security breaches of, our information technology systems, however, we cannot assure you that we will not encounter such disruptions in the future and any such disruptions or security breaches could have an adverse effect on our business and reputation.

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

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

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

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

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

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

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

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

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

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

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

29. *Our Promoters and Promoter Group will continue to exercise control post completion of the Issue and will have*

considerable influence over the outcome of matters.

Upon completion of this Issue, our Promoters and Promoters Group will continue to own a majority of our Equity Shares (i.e. 70.91% shares of post Issue Share Capital). As a result, our Promoters and Promoters group will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters and Promoters group will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters and Promoters group could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoters group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "Capital Structure" on page 48 of this Draft Prospectus, we cannot assure you that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

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

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

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

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

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

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

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

Any shortfall in raising/ meeting the same could adversely affect our growth plans, operations and financial performance. As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, debts, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our

capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 58 of this Draft Prospectus.

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

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

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

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

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

We propose to utilize the Net Proceeds towards Construction of Factory Shed, Commissioning of Solar Plant, working capital requirement, and general corporate purposes. For further details of the proposed objects of the Issue, see “Objects of the Issue” on page 58. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the provisions of the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot make any variation in the utilization of the Net Proceeds other than as disclosed in this Draft Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

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

Further, we cannot assure you that the Company, will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the issue to use any unutilized proceeds of the Fresh Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the issue Proceeds, if any, which may adversely affect our business and results of operations.

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

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

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

Our Company has been incorporated as a private limited company pursuant to the provisions of Companies Act, and converted into a public limited company pursuant to special resolution passed at the Extra Ordinary General Meeting. Prior to conversion, the provisions pertaining to public limited companies of the Companies Act, 2013 were not applicable to us. However, consequent to the aforesaid conversion, our Company is required to observe compliance with various provisions pertaining to public limited companies of the Companies Act, 2013. Further, our Company needs to additionally comply with provisions of SEBI ICDR Regulations and SEBI (LODR) Regulations.

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

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

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

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

EXTERNAL RISK FACTORS:

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("GST") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. The Government has enacted the GAAR which have come into effect from April 1, 2017. The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2021 ("Finance Act") on March 28, 2021, pursuant to assent received from the President, and the Finance Act will come into operation with effect from July 1, 2020. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us

to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, a draft of the Personal Data Protection Bill, 2019 (“Bill”) has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

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

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

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our real estate developments and the purchase thereof by our customers;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India’s present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- prevailing national, regional or global economic conditions, including in India’s principal export markets; and
- other significant regulatory or economic developments in or affecting India or its real estate development sector.

In addition to the factors set forth above, our business may be affected by adverse changes specific to the residential, and office space real estate markets. Demand in the residential real estate market may be adversely affected by changes such as a decrease in disposable income or a rise in residential mortgage rates or a decline in the population. Demand for our office space developments may be adversely affected by deteriorating economic conditions that could prompt current and potential tenants to place any expansion plans on hold or to search for locations with lower rental rates.

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

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

4. Any downgrading of India’s debt rating by an independent agency may harm our ability to raise financing.

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

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

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

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

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

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

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

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

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well as the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

SECTION - III –INTRODUCTION

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	Upto 50,00,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at an Issue Price of ₹ [●] each aggregating to ₹ [●]
Of Which Market Maker Reservation Portion	[●] Equity Shares of ₹10 each fully paid-up for cash at a price of ₹ [●] per share aggregating to ₹ [●].
Net Issue to the Public*	[●] Equity Shares of ₹10 each fully paid-up for cash at a price of ₹ [●] per share aggregating to ₹ [●].
Of Which	
Retail Portion	[●] Equity Shares of ₹ 10 each fully paid-up for cash at a price of ₹ [●] per share aggregating to ₹ [●].
Non Retail Portion	[●] Equity Shares of ₹ 10 each fully paid-up for cash at a price of ₹ [●] per share aggregating to ₹ [●].
Pre-and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,21,89 ,000 Equity Shares of face value of ₹10.00/- each
Equity Shares outstanding after the Issue	[●] Equity Shares of face value of ₹ 10.00/- each
Use of Issue Proceeds	For details, please refer chapter titled “Objects of the Issue” beginning on page 58 of this Draft Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 01, 2023 and approved by the shareholders of our Company vide a special resolution at the Annual General Meeting held on September 25, 2023 pursuant to section 62(1)(c) of the Companies Act. This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended. For further details, please refer to section titled “Issue Structure” beginning on page 184 of this Draft Prospectus.

*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;

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

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

SUMMARY OF OUR FINANCIAL INFORMATION

Restated Balance Sheet

(Rs. in Lacs)

Sr. No.	Particulars	Notes	As at March 31,		
			2023	2022	2021
	EQUITY AND LIABILITIES				
1)	<u>Shareholders' Funds</u>				
	a. Share Capital	A	609.45	609.45	609.45
	b. Reserves & Surplus	B	1202.78	536.77	290.56
2)	<u>Non-Current Liabilities</u>				
	a. Long Term Borrowings	C	2401.72	1632.00	1256.84
	c. Deferred Tax Liability	D	2.06	-	-
	b. Long Term Provisions	E	4.37	3.84	2.67
3)	<u>Current Liabilities</u>				
	a. Short Term Borrowings	F	3,703.61	3,617.90	1,888.72
	b. Trade Payables	G	2,790.96	3,803.66	1,852.40
	c. Other Current Liabilities	H	32.30	24.65	28.42
	d. Short Term Provisions	I	215.29	69.67	50.28
	TOTAL		10,962.55	10,297.94	5,979.36
	ASSETS				
1)	<u>Non-Current Assets</u>				
	a. Property, Plant & Equipment and Intangible Assets				
	i. Property, Plant and Equipment	J	466.34	240.46	207.94
	ii. Less: Accumulated Depreciation		165.24	141.86	122.80
	Net Block		301.09	98.60	85.14
	b. Deferred Tax Assets (Net)	D	-	3.96	3.64
	c. Non-current Investments	K	65.25	30.05	0.05
2)	<u>Current Assets</u>				
	a. Inventories	L	4,784.40	5,223.49	3,603.40
	b. Trade Receivables	M	5,463.26	4,801.05	2,087.52
	c. Cash and Cash Equivalents	N	206.00	7.69	10.77
	d. Short Term Loans & Advances	O	142.54	133.09	187.95
	e. Other Current Assets	P	-	-	0.87
	TOTAL		10962.55	10,297.94	5,979.36

Restated Statement Of Profit And Loss

(Rs. in Lacs)

Sr. No.	Particulars	NOTES	For the year ended March 31,		
			2023	2022	2021
A	INCOME				
	Revenue from Operations	Q	18,416.85	18,390.14	13,235.91
	Other Income		0.16	0.32	-
	Total Income (A)		18,417.01	18,390.46	13,235.91
B	EXPENDITURE				
	Cost of Material Consumed	R	15,336.66	18,626.39	11,405.47
	Manufacturing Expenses	S	1,064.28	1,025.81	2,031.85
	Change in Inventories	T	511.97	-2,060.73	-718.60
	Employee benefit expenses	U	76.14	46.23	24.15
	Finance costs	V	463.40	312.97	239.03
	Depreciation and amortisation expense	W	23.38	19.06	18.80
	Administrative Selling & Other Expenses	X	51.21	90.78	82.06
	Total Expenses (B)		17,527.05	18,060.51	13,082.75

C	Profit before exceptional, extraordinary items and tax		889.97	329.95	153.16
	Exceptional items				
D	Profit before extraordinary items and tax		889.97	329.95	153.16
	Extraordinary Expenses				
E	Profit before tax				
	<i>Tax expense :</i>				
	(i) Current tax	Y	217.93	84.07	42.62
	(ii) Deferred tax	Z	6.03	-0.32	-
F	Total Tax Expense		223.96	83.75	42.62
G	Profit after tax (E-F)		666.01	246.20	110.54

Restated Statement Of Cash Flows

(Rs. in Lacs)

Particulars	31 st March, 2023	31 st March, 2022	31 st March, 2021
Cash flow from operating activities:			
Net Profit before tax as per Profit And Loss A/c	890.50	330.81	162.98
Adjusted for:		-	-
Depreciation & Amortisation	23.38	19.06	18.80
Interest & Finance Cost	463.40	312.97	230.21
Deffered Tax Assets	-6.03	0.37	0.40
Interest on FDR	0.16	0.32	-
Operating Profit Before Working Capital Changes	1,371.42	663.52	412.39
Adjusted for (Increase)/ Decrease:			
Inventories	439.09	-1,620.08	-1,253.93
Trade Receivables	-662.21	-2,713.53	2,082.11
Loans and advances and other assets	-11.47	56.75	-60.10
Trade Payables	-1,012.69	1,951.25	-1,444.73
Change in Other Current Assets	-	-	-
Short Term Borrowings	85.71	1,729.18	-95.67
Short Term Provision	138.21	29.87	-13.22
Liabilities & Provision	7.65	-3.77	-109.33
Cash Generated From Operations	155.54	93.19	-482.49
Direct Tax Paid	-223.65	-81.45	-57.34
Net Cash Flow from/(used in) Operating Activities: (A)	-68.11	11.74	-539.83
Cash Flow From Investing Activities:			
Purchase of Fixed Assets	-225.88	-32.52	-0.57
Sale of Fixed Assets	-	-	-
Long Term Loan and Advance Given	15.00	-15.00	-
Increase in Non-Current Assets	-35.20	-29.13	-
Net Cash Flow from/(used in) Investing Activities: (B)	-246.08	-76.64	-0.57
Cash Flow from Financing Activities:			
Proceeds From Share Capital & Share Premium	-	-	-
Proceeds / (Repayment) from Long Term Borrowing (Net)	769.72	375.16	761.10
Increase in Deferred Tax Asset	6.03	-0.37	-0.40
Interest & Finance Cost	-463.40	-312.97	-230.21
Net Cash Flow from/(used in) Financing Activities (C)	312.34	61.82	530.49
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	198.31	-3.08	-9.92
Cash & Cash Equivalents As At Beginning of the Year	7.69	10.77	20.69
Cash & Cash Equivalents As At End of the Year	206.00	7.69	10.77

1. Statement of cash flow has been prepared under the indirect method as set out in AS-3 on statement of cash flows specified under Sec-133 of Companies Act, 2013 read with Companies (Accounts) Rules, 2014.
2. Reconciliation of Cash & Cash Equivalents as per the statement of cash flow.

Balances with Banks	31 st March, 2023	31 st March, 2022	31 st March, 2021
- Current Account	0.21	-	-
- Fixed Deposits in Bank	-	-	-
Cash on hand	5.64	7.68	10.77
FD With Banks	200.16	-	-
Cash and Cash Equivalents at the End of the Period	206.00	7.68	10.77

GENERAL INFORMATION

Our Company was originally incorporated as “Kalahridhaan Trendz Private Limited” as a private limited company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated May 27, 2016 bearing Corporate Identification Number U17299GJ2016PTC092224 issued by the Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted into a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on November 7, 2017 and consequently the name of our Company was changed to “Kalahridhaan Trendz Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated November 27, 2017. For further details, please refer the chapter titled “History and Certain Corporate Matters” beginning on page 106 of this Draft Prospectus.

The Corporate Identification Number of our Company is U17299GJ2016PLC092224.

Registered office of our Company

KALAHRIDHAAN TRENDZ LIMITED

Address: 57 Ashra Industrial Estate, B/H Mahalaxmi Fabrics,
Nr. Narol Cross Road, Ahmedabad 382405, Gujarat, India.

Tel No: +91 6353302166

Website: www.kalahridhaan.com

E-mail: info@kalahridhaan.com

ADDRESS OF REGISTRAR OF COMPANIES

Registrar of Companies

Our Company is registered with the Registrar of Companies, Gujarat located at: 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	Niranjan Agarwal	Managing Director	00413530	4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad 380008
2	Aditya Agarwal	Wholetime Director	07511136	4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad 380008
3	Sunitadevi Agarwal	Director	02635438	4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad 380008
4	Bharatkumar Chaudhary	Independent Director	08638911	L-902, Shyam Hills, Nr Gst Bridge Nr Sun Real Homes, New Ranip, Ahmedabad, Gujarat - 382480
5	AnkitKumar Agrawal	Independent Director	10118085	19, Agrasen Society, Mansarover Road, Palanpur, Banaskantha, Gujarat - 385001
6	Drashti Solanki	Independent Director	10136197	Plot no. 821/2, Sector 7/C, Gandhinagar-Gujarat 382007

For further details of our directors, please refer chapter titled “Our Management” beginning on page 109 of this Draft Prospectus.

Company Secretary and Compliance Officer

Kushang Thakkar

Kalahridhaan Trendz Limited

Address: 57 Ashra Industrial Estate, B/H Mahalaxmi Fabrics,
Nr. Narol Cross Road, Ahmedabad 382405, Gujarat, India.

Tel No: +91 6353302166
 Website: www.kalahridhaan.com
 E-mail: cs@kalahridhaan.com

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 Address: 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad - 380 009, Gujarat, India Tel No.: +91 079- 4601 9796 (M): +91-9898055647 Web Site: www.ifinservices.in Email: mbd@ifinservices.in Investor Grievance Email: info@ifinservices.in Contact Person: Pradip Sandhir SEBI Registration No: INM000012856	Bigshare Services Private Limited Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093 Tel No: +91 22-62638200 Fax No +91 22-62638299 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Vinayak Morbale SEBI Reg. No.: INR000001385
Legal Advisor to the Issue	Statutory And Peer Reviewed Auditor
Narayansingh Chauhan Address: F-16 B Block, Maheshwari Apartment Co-op Soc Limited Kesavnagar, Subhashbridge, Ahmedabad Gujarat 380027, Tel No.: +91 9825353693 E-Mail: chauhannarayansingh91@gmail.com Bar Council No.: G/94/1975	Piyush Kothari & Associates Chartered Accountants Address: Office No. 208, Hemkoot Building, Near Gandhigram Railway Station, Ashram Road, Ahmedabad - 380009 Tel: 91-88493 98150 Email: piyushkothari9999@gmail.com Contact Person: Piyush Kothari Firm Registration: 140711W Membership Number: 158407 Peer Review Registration Number: 013450
Bankers to the Company	Bankers to the Issue and Refund Banker and Sponsor Bank
Karnataka Bank Limited Address: Mid Corporate Finance-, C G Road, Ahmedabad Tel: 079 26460854 Email: 021@ktkbank.com Website: www.karnatakabank.com Contact Person: Gulshan Pranav Designation: Relationship Manager	[•]
Bankers to the Company	

<p>ICICI Bank Limited Address: ICICI Bank Limited, Showroom No. 6, Sigma Spectrum, Nr. Vivekanand Chowk, Gurukul, Memnagar, Ahmedabad, Gujarat Tel: 9712221755 Email: shrjit.nair@icicibank.com Website: www.icicibank.com Contact Person: Shrijit Nair Designation: Deputy Branch Manager</p>	
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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 it's 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 ₹ [●], 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 Statutory, M/s. Piyush Kothari & Associates, Chartered Accountants, with respect to the Statement of Tax Benefits dated September 26, 2023 And Peer Review Auditor, M/s S. N. Shah & Associates, Chartered Accountants, with respect to their report on the Restated Financial Statements dated September 05, 2023 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.

Debenture Trustee

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

Changes in Auditors during the Last Three Years

Except as disclosed below, there has been no change in the Statutory Auditors of our Company during the last three years preceding the date of this Draft Prospectus.

Particulars	Date of Appointment /Resignation	Reason for change
Piyush Kothari & Associates Chartered Accountants Address: Office No. 208, Hemkoot Building, Near Gandhigram Railway Station, Ashram Road, Ahmedabad - 380009 Tel: 91-88493 98150 Email: piyushkothari9999@gmail.com Contact Person: Piyush Kothari Firm Registration: 140711W Membership Number: 158407 Peer Review Registration Number: 013450	September 05, 2023	Appointed due to Casual Vacancy in the Board Meeting held on September 05, 2023 upto ensuing AGM and Re-appointed for a term of one years from the conclusion of Annual General Meeting held on September 25, 2023 till the conclusion of the Annual General Meeting of the Company for 2023-2024
M/s. Anuj H Agarwal & Associates Chartered Accountants Address: 578, New Cloth Market, Outside Raipur Gate, Ahmedabad - 380002, Gujarat, India. Tel. No.: +91 88665 02597 Email Id: anujhagarwalandassociates@gmail.com Membership No.: 170654	September 05, 2023	Resignation due to not being a Peer Reviewed Auditor

Firm Registration No: 146723W		
M/s. Anuj H Agarwal & Associates Chartered Accountants Address: 578, New Cloth Market, Outside Raipur Gate, Ahmedabad - 380002, Gujarat, India. Tel. No.: +91 88665 02597 Email Id: anujhagarwalandassociates@gmail.com Membership No.: 170654 Firm Registration No: 146723W	November 20, 2021	Appointed due to Causal Vacancy
M/s. Bharat H. Shah & Co. Chartered Accountants Address: 501, Aarya Epoch, Opp. Passport Seva Kendra II Nr. Vijay Char Rasta, Navrangpura Ahmedabad- 380009, Gujarat, India. Tel. No.: +91-40008907 / 26462808 Email Id: cabharatshah@yahoo.com Website: www.bhsco.in Membership No.: 039664 Firm Registration No: 101217W	November 15, 2021	Resignation due to Pre-occupation in Other Assignment

Filing of Draft Offer Document/ Offer Document

- The Draft Prospectus and Prospectus shall be filed with Emerge Platform of NSE (“NSE Emerge”) situated at Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051, India.
- 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>.
- 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.

Underwriter

Our Company and the LM to the Issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated September 25, 2023 Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriter are several and are subject to certain conditions specified therein. The Underwriter 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 Address: 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad - 380009, Gujarat, India Tel No.: +91 079- 4601 9796 (M): +91-9898055647 Web Site: www.ifinservices.in Email: mbd@ifinservices.in Investor Grievance Email: info@ifinservices.in Contact Person: Pradip Sandhir SEBI Registration No: INM000012856	[●]	[●]	15.00%
Sunflower Broking Private Limited	[●]	[●]	85.00%

Address: A-501 Privilon, Behind Iscon Temple Iscon Cross Road, SG Highway, Ahmadabad-380015, (Gujarat) India Tel No/(M): +91-982522227 Web Site: https://www.sunflowerbroking.com/ Email: compliance@sunflowerbroking.com Investor Grievance Email: compliance@sunflowerbroking.com Contact Person: Bhavik Vora SEBI Registration No: INZ000195131			
Total	[●]	[●]	100.00%

*Includes [●] 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 Underwriter is 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 September 25, 2023 with the following Market Maker, duly registered with NSE to fulfill the obligations of Market Making:

Sunflower Broking Private Limited

A-501 Privilon, Behind Iscon Temple Iscon Cross Road, SG Highway,
Ahmadabad-380015, (Gujarat) India, India
Tel No/(M): +91 982522227
Email: compliance@sunflowerbroking.com
Investor Grievance Email ID: compliance@sunflowerbroking.com
Website: <https://www.sunflowerbroking.com/>
Contact Person: Bhavik Vora
SEBI Registration No: INZ000195131

Sunflower Broking Private Limited is registered with Emerge Platform of NSE 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 NSE and SEBI regarding this matter from time to time.

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

1. The Market Maker(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 NSE Emerge (SME platform of NSE) and 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 [●] Equity Shares, thus, the minimum depth of the quote shall be such an amount that the minimum lot of [●] Equity Shares is met, until the same is revised by Stock exchange.
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 [●] 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 [●] 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.
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 investor.
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 Emerge NSE and Market Maker will remain present as per the guidelines mentioned under NSE 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 Emerge NSE, 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 shall have the right to terminate said arrangement by giving a six month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
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: NSE Emerge Exchange will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
19. Punitive Action in case of default by Market Makers: NSE Emerge 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 Emerge NSE.

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 Emerge 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 Emerge 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/ NSE from time to time.

All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock 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 (₹ in Lacs except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A	AUTHORISED SHARE CAPITAL		
	1,80,00,000 Equity Shares of face value of ₹10 each	1800.00	
B	ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	1,21,89,000 fully paid Equity Shares of face value of Rs. 10 each	1218.90	
C	PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS		
	Issue upto 50,00,000 Equity Shares of face value of ₹10 each at a premium of ₹ [●] per share	500.00	[●]
(I)	Reservation for Market Maker [●] Equity Shares of face value of ₹10 each at a premium of Rs. [●] will be available for allocation to Market Maker	[●]	[●]
(II)	Net Issue to the Public [●] Equity Shares of face value of ₹10 each at a premium of Rs. [●] per share	[●]	[●]
	Of Net Issue to the Public		
(I)	[●] Equity Shares of face value of ₹10 each at a premium of ₹ [●] per share shall be available for allocation for Investors applying for a value of upto ₹ 2 Lakh	[●]	[●]
(II)	[●] Equity Shares of face value of ₹10 each at a premium of ₹ [●] per share shall be available for allocation for Investors applying for a value above ₹ 2 Lakh	[●]	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE		
	[●] Equity Shares of ₹10 each	[●]	
E.	SHARE PREMIUM ACCOUNT		
	Share Premium account before the Issue	21.55	
	Share Premium account after the Issue		[●]

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 (May 27, 2016)	-	The authorized capital of our company on incorporation comprised of ₹ 1,00,000/- consisting of 10,000 Equity shares of Rs. 10/- each.
2.	September 08, 2016	EGM	The authorized share capital of ₹1,00,000/- consisting of 10,000 Equity shares of Rs. 10 each was increased to ₹ 90,00,000/- consisting of 9,00,000 Equity shares of ₹10/- each.
3.	December 05, 2017	EGM	The authorized share capital of ₹ 90,00,000/- consisting of 9,00,000 Equity shares of Rs. 10 each was increased to ₹ 5,25,00,000/- consisting of 52,50,000 Equity shares of ₹10/- each.

4.	December 29, 2018	EGM	The authorized share capital of ₹ 5,25,00,000/- consisting of 52,50,000 Equity shares of ₹10/- each was increased to ₹ 10,50,00,000/- consisting of 1,05,00,000 Equity shares of ₹10/- each.
5	June 20, 2023	EGM	The authorized share capital of ₹ 10,50,00,000/- consisting of 1,05,00,000 Equity shares of ₹10/- each was increased to ₹ 16,00,00,000/- consisting of 1,60,00,000 Equity shares of ₹10/- each.
6.	August 31, 2023	EGM	The authorized share capital of ₹ 16,00,00,000/- consisting of 1,60,00,000 Equity shares of ₹10/- each was increased to ₹ 18,00,00,000/- consisting of 1,80,00,000 Equity shares of ₹10/- each.

Note:

The present Public Issue upto Fresh 50,00,000 Equity Shares which have been authorized by the Board of Directors of our Company at its meeting held on September 01, 2023 and was approved by the Shareholders of the Company by Special Resolution at the Annual General Meeting held on September 25, 2023 as per the provisions of Section 62(1)(c) of the Companies Act, 2013.

The company has one class of share capital i.e., Equity Shares of Face value of Rs.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 (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Cumulative No. of Equity Shares
On Incorporation (May 27, 2016)	10,000	10	10	Cash	Subscription to MoA	10,000
September 29, 2016	8,50,000	10	10	Cash	Right Issue	8,60,000
December 28, 2017	11,25,000	10	20	Cash	Preferential Issue	19,85,000
January 05, 2018	10,00,000	10	20	Cash	Preferential Issue	29,85,000
July 26, 2018	2,50,000	10	20	Cash	Right Issue	32,35,000
August 13, 2018	3,50,000	10	20	Cash	Right Issue	35,85,000
January 30, 2019	25,09,500	10	N.A	Consideration other than cash	Bonus Issue	6,094,500
July 10, 2023	60,94,500	10	N.A	Consideration other than cash	Bonus Issue	1,21,89,000

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

Sr. No	Name of the Person	No of Shares Subscribed
1	Aditya Agarwal	5,000
2	Niranjan Agarwal	5,000
Total		10,000

- ii. Further Allotment on the Basis of Right Issue as on September 29, 2016 of 8,50,000 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Niranjan Agarwal	8,00,000

2	Aditya Agarwal	50,000
Total		8,50,000

- iii. Further Allotment on Preferential basis as on December 28, 2017 of 11,25,000 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Aditya Agarwal	5,60,000
2	Sunitadevi Agarwal	5,65,000
Total		11,25,000

- iv. Further Allotment on Preferential basis as on January 05, 2018 of 10,00,000 Equity Shares of face value of Rs.10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Niranjan Agarwal	10,00,000
Total		10,00,000

- v. Further Allotment on the basis of Right Issue as on July 26, 2018 of 2,50,000 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Aditya Agarwal	1,05,000
2	Sunitadevi Agarwal	1,45,000
Total		2,50,000

- vi. Further Allotment on the basis of Right Issue as on August 13, 2018 of 3,50,000 Equity Shares of face value of Rs.10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Niranjan Agarwal	3,50,000
Total		3,50,000

- vii. Further Allotment on Bonus Issue as on January 30, 2019 of 25,09,500 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Aditya Agarwal	5,03,979
2	Sunitadevi Agarwal	4,97,007
3	Niranjan Agarwal	15,08,479
4	Surendra Singh Rathod	7
5	Rajesh Agarwal	7
6	Hitesh Prajapati	7
7	Mahesh Sharma	7
8	Mr. Sunil Madhusudan Maniyar	7
Total		25,09,500

- viii. Further Allotment on Bonus Issue as on July 10, 2023 of 6,094,500 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Aditya Agarwal	12,23,949
2	Sunitadevi Agarwal	12,07,017
3	Niranjan Agarwal	36,63,449
4	Surendra Singh Rathod	17
5	Rajesh Agarwal	17
6	Hitesh Prajapati	17
7	Mahesh Sharma	17
8	Mr. Sunil Madhusudan Maniyar	17
Total		60,94,500

2. Equity Shares Issued for consideration other than cash:

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

Date of Allotment	No. of Total Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Name of Allottees	No. of Shares Allotted	Nature of Allotment / Reason	Benefit Accrued
January 30, 2019	25,09,500	10	N.A	Aditya Agarwal	5,03,979	Bonus Issue in the ratio of (07:10) i.e. 7 Equity Shares for 10 existing Equity Shares	Capitalisation of Reserves and Retaining interest of the Shareholders
				Sunitadevi Agarwal	4,97,007		
				Niranjan Agarwal	15,08,479		
				Surendra Singh Rathod	7		
				Rajesh Agarwal	7		
				Hitesh Prajapati	7		
				Mahesh Sharma	7		
Mr. Sunil Maniyar	7						
July 10, 2023	60,94,500	10	N.A	Aditya Agarwal	12,23,949	Bonus Issue in the ratio of (1:1_) i.e. 1 Equity Shares for 1 existing Equity Shares	Capitalisation of Reserves and Retaining interest of the Shareholders
				Sunitadevi Agarwal	12,07,017		
				Niranjan Agarwal	36,63,449		
				Surendra Singh Rathod	17		
				Rajesh Agarwal	17		
				Hitesh Prajapati	17		
				Mahesh Sharma	17		
Sunil Maniyar	17						

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

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

6. Our Shareholding Pattern:

The shareholding pattern of our company in accordance with Regulation 31 of SEBI (LODR) Regulations, 2015, as on September 29, 2023:

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 underlying Depository Receipts (VI)	Total nos. shares held = (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 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	3	1,21,88,830	0	0	1,21,88,830	100.00	1,21,88,830	100.00	0	0	0	0	0	0	1,21,88,830
(B)	Public	5	170	0	0	170	0.00	170	0.00	0	0	0	0	0	0	170
(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	8	1,21,89,000	0	0	1,21,89,000	100	1,21,89,000	100.00	0	0	0	0	N.A	N.A	1,21,89,000

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 NSE before commencement of trading of such equity shares.

7. The shareholding pattern before and after the Issue:

Sr. No	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoter					
1.	Aditya Agarwal	24,47,898	20.08	24,47,898	14.24
2.	Niranjan Agarwal	73,26,898	60.11	73,26,898	42.63
	TOTAL (A)	97,74,796	80.19	97,74,796	56.87
(i) Promoter Group					
3.	Sunitadevi Agarwal	24,14,034	19.80	24,14,034	14.04
	TOTAL (B)	24,14,034	19.80	24,14,034	14.04
(iii) Public					
4.	Surendrasingh Rathod	34	Negligible	34	Negligible
5.	Rajeshkumar Agarwal	34	Negligible	34	Negligible
6.	Hitesh Prajapati	34	Negligible	34	Negligible
7.	Mahesh Sharma	34	Negligible	34	Negligible
8.	Sunil Maniyar	34	Negligible	34	Negligible
9.	IPO	-	-	Upto 50,00,000	29.09
10.	TOTAL (C)	170	0.01	50,00,170	29.09
11.	TOTAL (A+B+C)	1,21,89,000	100.00	1,71,89,000	100

8. 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 Pre Issue Shares Capital
1	Aditya Agarwal	24,47,898	20.08
2	Sunitadevi Agarwal	24,14,034	19.80
3	Niranjan Agarwal	73,26,898	60.11
TOTAL		1,21,88,830	99.99

- 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 Pre Issue Shares Capital
1	Aditya Agarwal	24,47,898	20.08
2	Sunitadevi Agarwal	24,14,034	19.80
3	Niranjan Agarwal	73,26,898	60.11
TOTAL		1,21,88,830	99.99

- iii. List of Shareholder holding 1.00% or more of the paid-up capital of the company one years prior to the date of the Draft Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Pre Issue Shares Capital
1	Aditya Agarwal	12,23,949	20.08
2	Sunitadevi Agarwal	12,07,017	19.80
3	Niranjan Agarwal	36,63,449	60.11
TOTAL		60,94,415	99.99

- iv. List of Shareholder holding 1.00% or more of the paid-up capital of the company two years prior to the date of the Draft Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Pre Issue Shares Capital
1	Aditya Agarwal	12,23,949	20.08
2	Sunitadevi Agarwal	12,07,017	19.80
3	Niranjan Agarwal	36,63,449	60.11
	TOTAL	60,94,415	99.99

9. As on date of this Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
10. 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.

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

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

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post-Issue	
Aditya Agarwal									
May 27, 2016	Subscriber to MOA	Cash	5,000	5,000	10	10	0.04	0.03	[●]
September 29, 2016	Preferential Allotment	Cash	50,000	55,000	10	10	0.41	0.29	[●]
December 28, 2017	Right Issue	Cash	5,60,000	6,15,000	10	20	4.59	3.26	[●]
July 26, 2018	Right Issue	Cash	1,05,000	7,20,000	10	20	0.86	0.61	[●]
August 20, 2018	Share Transfer	Cash	(30)	7,19,970	10	10	-	-	[●]
January 30, 2019	Bonus Issue	Other than Cash	5,03,979	12,23,949	10	N.A.	4.13	2.93	[●]
July 10, 2023	Bonus Issue	Other than Cash	12,23,949	24,47,898	10	N.A.	10.04	7.12	[●]
	TOTAL (A)		24,47,898				20.08	14.24	
Niranjan Agarwal									
May 27, 2016	Subscriber to MOA	Cash	5,000	5,000	10	10	0.04	0.03	[●]
September 29, 2016	Preferential Allotment	Cash	8,00,000	8,05,000	10	10	6.56	4.65	[●]
October 14, 2017	Share Transfer	Cash	(30)	8,04,970	10	10	-	-	[●]
January 05, 2018	Preferential Allotment	Cash	10,00,000	18,04,970	10	20	8.20	5.82	[●]
August 13, 2018	Right Issue	Cash	3,50,000	21,54,970	10	20	2.87	2.04	[●]

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post-Issue	
January 30, 2019	Bonus Issue	Other than Cash	15,08,479	36,63,449	10	N.A.	12.38	8.78	[●]
July 10, 2023	Bonus Issue	Other than Cash	36,63,449	73,26,898	10	N.A.	30.06	21.31	[●]
	TOTAL (B)		73,26,898				60.11	42.63	

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

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

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

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.

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

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

13. Lock in of Promoters:

- 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., [●] equity shares shall be locked in by our Promoters 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 Promoters under the SEBI (ICDR) Regulations, 2018. Our Company has obtained written consent from our Promoters for the lock-in of [●] Equity Shares for three years. The Equity Shares that are being locked in are not ineligible for minimum promoter 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.

Equity Shares of Promoter locked-in for one year

In addition to 20.00% ([●]) 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., [●] 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.

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 Issue. Accordingly, [●] 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 Issue.

Transferability of Lock-in securities:

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 Promoter 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.

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.

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 Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- 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.

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.

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.

All the Equity Shares of our Company are fully paid-up equity shares as on the date of this draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of this Draft Prospectus.

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.

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.

As per RBI regulations, OCBs are not allowed to participate in this Issue.

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.

Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

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.

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.

Our Promoters and the members of our Promoter Group will not participate in this Issue.

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.

Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of registering draft 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.

None of our Key Managerial person holds any Equity Shares in our Company.

As on the date of this Draft Prospectus, our Company has 08 Shareholders.

SECTION IV - PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The present Public Issue of Fresh Issue of Upto 50,00,000 Equity Shares at an issue price of [●] per Equity Share.

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

1. Working capital requirement
2. General Corporate Purpose,
3. Meeting Public Issue Expenses.

(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)
1.	Gross proceeds from the issue	[●]
2.	Less: Issue related expenses	[●]
Net proceeds of the issue		[●]

Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Working Capital Requirement	1607.00
2.	General corporate purposes	[●]
Total utilization of net proceeds		[●]

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 20 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:

(Rs. In lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount already deployed	Estimated utilization of net proceeds in FY 2023-2024
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1.	Working Capital Requirement	1607.00	[●]	[●]
2.	General Corporate Purposes ¹	[●]	[●]	[●]
	Total	[●]	[●]	[●]

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

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the Financial Year 2023-2024. In the event that the estimated utilization of the Net Proceeds in a Financial Year 2023-24 is not completely met, the same shall be utilized, in part or full, in the next Financial Year or a subsequent period towards the Objects.

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) WORKING CAPITAL REQUIREMENTS

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

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

(Rs. In Lacs)

Particulars	31.03.2021	31.03.2022	31.03.2023	31.03.2024
	Audited	Audited	Audited	Projected
Raw Material	1484.94	1044.3	317.18	1022.27
Work in Progress				
Finished Goods	2118.46	4179.19	4467.22	5125.00
Trade Receivables	2087.52	4801.05	5469.71	6150.00
Cash and Bank Balances	10.77	7.68	5.84	15.00
Short term Loans and advances	187.95	133.08	136.1	150.00
Other current Assets	0.87	-	-	-
Total	5890.51	10165.3	10396.05	12462.27
Less :				
Trade Payables	1852.4	3803.66	3189.68	3608.00
Other Current Liabilities	28.42	24.64	33.61	50.00
Provisions	62.1	70.91	137.02	150.00
Total Liabilities	1942.92	3899.21	3360.31	3808.00
Net Working Capital	3947.59	6266.09	7035.74	8654.27
Less : Bank Borrowings	1671.23	3469.89	3496.37	3500.00
Balance	2276.36	2796.2	3539.37	5154.27
Financed through Capital Internal Cash Accruals and unsecured Borrowings	2276.36	2796.2	3539.37	3547.29
Fund from IPO	-	-	-	1606.98
Say				1607.00

Assumptions for working capital requirements

Particulars	Justification for Holding				
	F.Y.2020-21	F.Y. 2021-22	F.Y. 2022-23	F.Y. 2023-24 (Estimated)	
Raw Material (No of Days)	39	17	6	17	On the basis of F.Y. 2021-22 when the Company had achieved the Growth
Finished Goods (No of Days)	48	68	73	75	On the basis of F.Y. 2021-22 when the Company had achieved the Growth
Receivables (No of Days)	47	78	89	90	On the basis of F.Y. 2021-22 when the Company had achieved the Growth
Trade Payables (No of Days)	49	61	59	60	On the basis of F.Y. 2021-22 when the Company had achieved the Growth

The Company has obtained certificate from M/s Piyush Kothari & Associates, Chartered Accountants dated September 28, 2023 (UDIN: 23158407BGUYHC7956), certifying the estimation of working capital requirement along with the assumptions for working capital requirements.

2. 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 Rs. [●] 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 ₹ [●] lakhs. 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 (Rs. in lakhs)	As a % of total estimated issue related expenses	As a % of Gross Issue Size
Lead Manger Fees including Underwriting Commission.	[●]	[●]	[●]
Brokerage, selling commission and Marketing fees	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationary	[●]	[●]	[●]
Others (Market Making fees etc.)	[●]	[●]	[●]
Total estimated issue related expenses	[●]	[●]	[●]

Notes:

1. The fund deployed up to September 26, 2023 is Rs. 5 Lakhs towards issue expenses vide certificate dated September 26, 2023 having UDIN: 23158407BGUYGX3791 received from M/s Piyush Kothari & Associates, Chartered Accountants.
2. Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows: Portion for RIIs 0.01% or ₹ 100/- whichever is less^ Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ ^Percentage of the amounts received against the Equity Shares Allotted (i.e., the product of the number of Equity Shares Allotted and the Issue Price).
The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. *
Registered Brokers, will be entitled to a commission of ₹ 10/- per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. *
SCSBs would be entitled to a processing fee of ₹ 10/- for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs. *
Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.

**The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*

3. Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 80,000/- and in case if the total uploading / bidding charges exceeds ₹ 80,000/- then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank
4. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them
5. The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/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 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022
6. The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.
7. 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 upto 50,00,000 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 ₹ [●] /- per Equity Share. The Issue Price is [●] times the face value.

Investors should refer sections / chapters titled “Risk Factors”, “Restated Financial Statements”, “Management Discussion and Analysis of Financial Condition and Results of Operations” and “Business Overview” beginning on page 20, 123, 147 and 81 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

- Our Wide and variety range of products Existing client relationship
- Strategically located manufacturing facilities with modern machines.
- Quality Service
- Experienced promoters, directors and managerial Team

For further details, please refer to the paragraph titled “Our Competitive Strengths” in the chapter titled “Business Overview” beginning on page 81 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 (Pre Bonus)	Basic and Diluted EPS (Post Bonus)
March 31, 2021	1.81	1.29
March 31, 2022	4.04	2.51
March 31, 2023	10.93	7.74
Weighted EPS	7.11	4.92

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 [●] /- per Equity Share of 10.00/- each fully paid up

Particulars	P/E ratio (pre Bonus)	P/E ratio (post bonus)
P/E ratio based on Basic and diluted EPS as at March 31, 2023*	[●]	[●]
P/E ratio based on Basic and diluted EPS as at weighted EPS	[●]	[●]
Industry		
Highest	22.87	22.87
Lowest	8.65	8.65
Average	14.28	14.28

*Not Annualized

3) Return on Net worth (RoNW)

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

Year Ended	RONW (%)
March 31, 2021	12.28%
March 31, 2022	21.48%
March 31, 2023	36.75%

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 March 31, 2023	29.74
Net Asset Value per Equity Share after IPO	[●]
Issue Price	[●]

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

Companies	CMP	EPS	PE Ratio	RONW (%)	NAV (Per Share)	Face Value	Total Income (Rs.in Lakhs)
Kalahridhaan Trendz Limited	[●]	10.93	[●]	36.75%	29.74	10	18,416.85
Peer Group							
SPL Industries Limited	70.75	8.22	8.65	12.72%	64.64	10	29,836.57
Kitex Garments Limited	203.70	8.94	22.87	6.65%	136.07	1	60,007.21
Monte Carlo Fashion Limited	769.70	64.03	12.03	17.09%	374.67	10	1,13,854.00

** CMP of our Company is considered as an Issue Price

*CMP as on September 08, 2023

Source: <https://www.nseindia.com>

Notes:

- a) Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.
- b) The figures for Kalahridhaan Trendz Limited are based on the restated standalone financial statements for the period ended on March 31, 2023.
- c) The figures are based on the Standalone financial statements for the year ended March 31, 2023 of peers group (filed with NSE Stock Exchange)
- d) CMP of the peer group is as per the closing price as available on <https://www.nseindia.com>
- e) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.
- f) P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on March 31, 2023 sourced from website of Stock Exchange as divided by the Basic/diluted EPS as applicable.
- g) RoNW is computed as net profit after tax, as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.

For further details, please refer section titled “Risk Factors” beginning on page 20 of this Draft Prospectus and the financials of the Company including important profitability and return ratios, as set out in the section titled “Restated Financial Statements” beginning on page 123 of this Draft Prospectus to have more informed view about the investment proposition. The Face Value is Rs. 10.00/- per Equity Share and the Issuer Price Rs. [●]/- 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.

Key Performance Indicators (“KPIs”)

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

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

KPI	Explanations
Revenue from Operations (₹ lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company’s financial leverage.
Return on Equity	This metric enables us to track how much profit a company generates with the money that the equity shareholders have invested.
Operating EBITDA (₹ lakhs)	Operating EBITDA provides information regarding the operational efficiency of the business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 26, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this DRHP. Further, the KPIs herein have been certified by M/s Piyush Kothari & Associates Chartered Accountant by their certificate dated September 26, 2023.

Financial KPI of our Company

Sr No.	Metric	As of and for the Fiscal		
		2023	2022	2021
1	Total Income	18416.85	18390.46	13235.91
2	Current Ratio	1.57	1.35	1.54
3	Debt Equity ratio	3.19	2.60	1.32
4	Return on Equity ratio (%)	42.09	21.86	11.66
5	EBDITA	1376.75	661.98	410.99
6	EBDITA (%)	7.48	3.60	3.11
7	Profit/(loss) after tax for the year/period (Rs. In lakhs)	666.01	246.20	110.54
8	Net profit Ratio (%)	3.62	1.34	0.84

9	Return on Capital Employed (%)	17.39	10.35	10.16
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Notes:

- As certified by M/s Piyush Kothari & Associates, Chartered Accountants pursuant to their certificate dated September 26, 2023 vide UDIN No: 23158407BGUYGY5172. The Audit committee in its resolution dated September 26, 2023 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Prospectus other than as disclosed in this section.
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities
- Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by total equity (which includes issued capital and all other equity reserves).
- Return on equity (RoE) is equal to profit for the year divided by the total equity during that period and is expressed as a percentage.
- Operating EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. Operating EBITDA excludes other income.
- Operating EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our total revenue.
- RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.

Comparison of key performance indicators with Peer Group Companies

Sr. No	Key Performance Indicators	SPL Industries Limited	KiteK Garments Limited	Monte Carlo Fashions Ltd
1.	Total Income	29836.57	60007.22	113854.00
2.	current Ratio	3.69	5.02	1.95
3.	Debt Equity Ratio	0.06	2.84	0.26
4.	EBDITA	3782	10710	23865
5.	Operating EBDITA Margin	12.68	17.85	20.96
6.	PAT	2383.59	6013.79	13274
7.	Net profit Margin	8.37	11.00	11.88
8.	Return on Equity	13.58	6.75	18.13
9.	Return on Capital Employed	16.59	9.00	23.07

**CMP as on September 08, 2023:

- Key Performance Indicators are as on March 31, 2023 as we have not included the financial for the issuer company for Financial Year ended on March 31, 2023. The peer group companies figures are also given for the Financial year ended on March 31, 2023.

Weighted average cost of acquisition (“WACA”), floor price and cap price

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

The details of the Equity during the 18 months preceding the date of this Draft prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuance”) are as follows:

Date of allotment	No. of equity shares allotted	Face value per equity share# (₹)	Issue price per equity share (₹) *	Nature of allotment	Nature of consideration	Total Consideration (in ₹lakhs)
July 10, 2023	60,94,500	10	N.A.	Bonus	Consideration other than cash	NIL

(b) The price per share of our Company based on secondary sale/ acquisitions of shares (equity/ convertible securities)

The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the secondary sale / acquisition of Equity Shares or convertible securities involving Promoter, Promoter Group during the 18 months preceding the date of filing of this Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters, members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this draft prospectus , where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Kalahridhaan Trendz Limited
57 Ashra Industrial Estate
B/H Mahalaxmi Fabrics
Near Narol Cross Road
Ahmedabad -382405 Gujarat India

Dear Sir,

Sub: Statement of Possible Special Tax Benefits available to Kalahridhaan Trendz 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, 2023, 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.

**M/s. Piyush Kothari & Associates,
Chartered Accountants
Firm Reg No: 140711W**

**CA Piyush Kothari
Partner
Mem. No: 158407
UDIN: 23158407BGUYGY5172**

**Place: Ahmedabad
Date: September 26, 2023**

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 Income 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 nor 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 "Restated Financial Statements" on pages 20 and 123, respectively of the Draft Prospectus. 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 20 of the Draft Prospectus. Accordingly, investment decisions should not be based on such information.

INDIAN ECONOMY OVERVIEW:

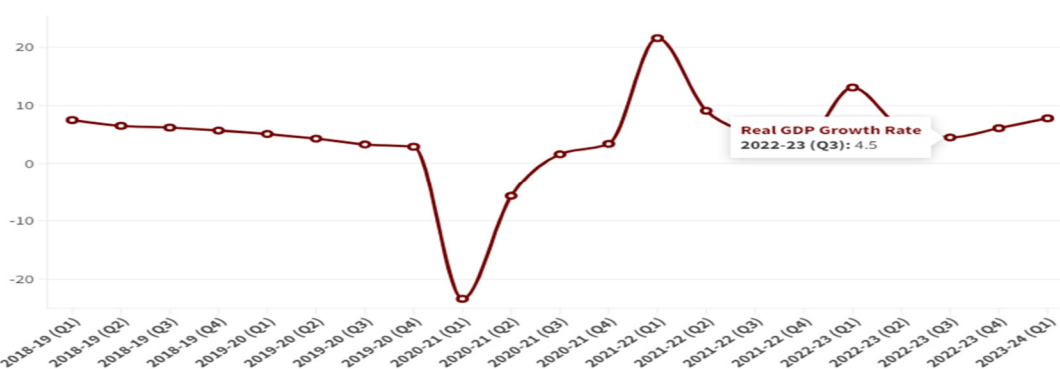
Strong economic growth in the first quarter of FY 23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices in the second quarter of 2022–23 is estimated at US\$ 1.94 trillion (Rs. 160.06 trillion), showing a growth of 7.2% as compared to the First Revised Estimates of GDP for the year 2021-22 of US\$ 1.81 trillion (Rs. 149.26 trillion), indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In FY22, India's service exports stood at US\$ 254.4 billion. Furthermore, India's overall exports (services and merchandise) was estimated at US\$ 770.18 billion in FY23. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

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

INDIAN GDP GROWTH RATES:

**Quarter-wise Real GDP Growth Rates (%) for FY 2018-19 to FY 2023-24 (Q1) (Constant Prices)
(Base 2011-12)**



Source: MoSPI, India (Publication: Advance and Quarterly Estimate). Click to get data/ visualization - Prepared by Computer Centre @GoIStats
Note: Growth Rates Calculated with respect to Previous Year same quarter; Q1: Quarter 1; Q2: Quarter 2; Q3: Quarter 3; Q4: Quarter 4

Road Ahead

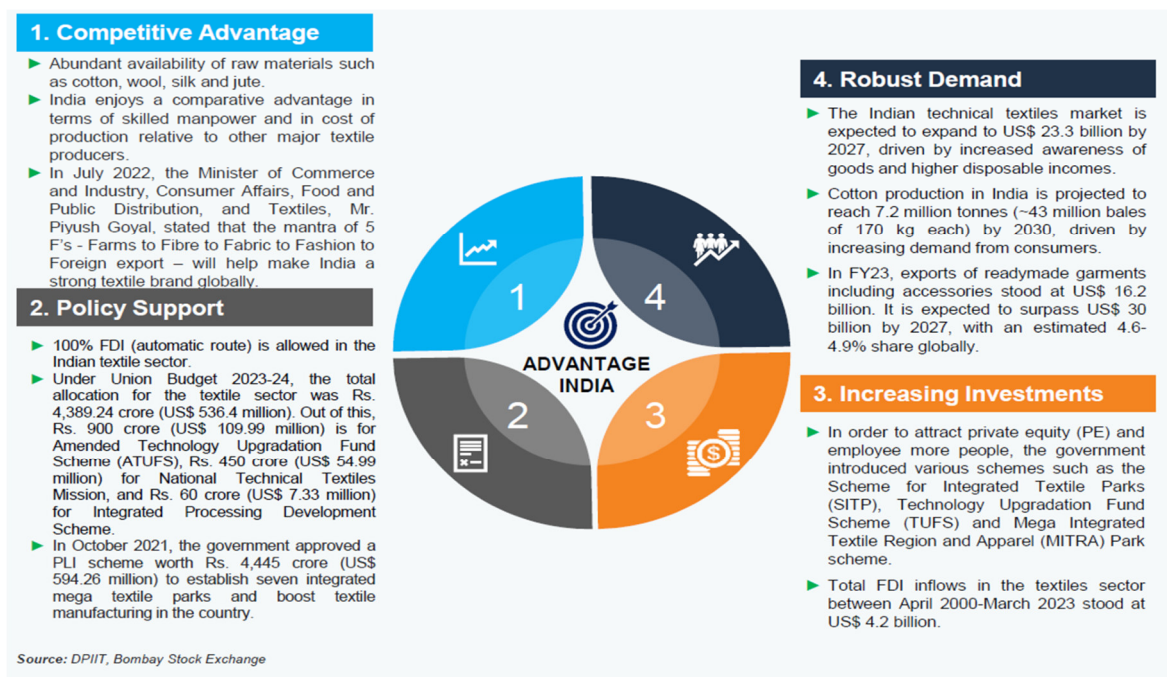
Economic activity in India is holding up better than expected despite persistent geopolitical worries, rising interest rates in the US and India, high prices for crude oil and a few other commodities, and rising interest rates in both countries. The rate of economic activity has entirely recovered from the COVID-19 pandemic shock, according to electricity consumption, manufacturing PMI, exports, power supply, and other high-frequency indicators. The efficient execution of PLI schemes, the expansion of renewable energy sources while diversifying import dependency on crude oil, and the support of the banking sector are expected to propel economic growth. The rise in the current account deficit will be helped by recent government attempts to increase revenue, and it will also ensure that any potential fiscal slippage is sufficiently contained. A Boston Consulting Group (BCG) report predicts that India will be the third-largest consumer economy by 2025, when changes in consumer spending and behavior may cause its consumption to double to US\$ 4 trillion. According to a PricewaterhouseCoopers estimate, India is expected to pass the US in 2040 to become the second-largest economy in terms of purchasing power parity (PPP).

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

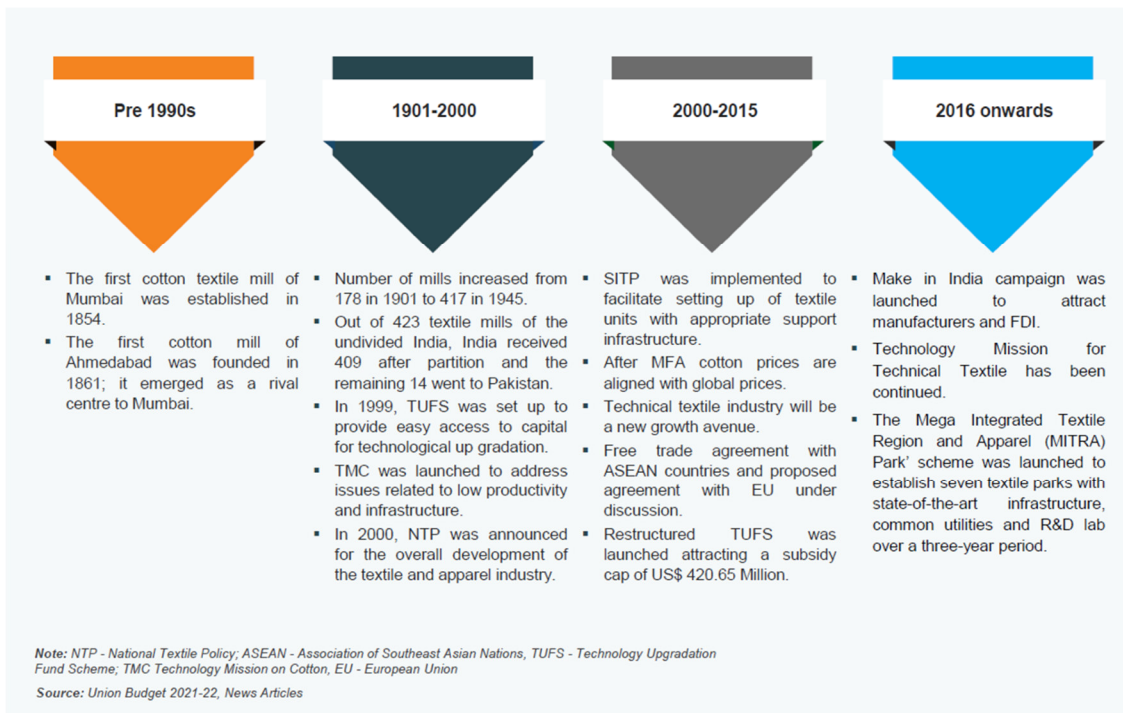
MARKET ASPECTS OF TEXTILES INDUSTRY

India is the world's second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India has a 4% share of the global trade in textiles and apparel. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry has around 45 million of workers employed in the textiles sector, including 3.5 million handloom workers. The textile industry has around 45 million of workers employed in the textiles sector, including 3.5 million handloom workers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Total textile exports are expected to reach US\$ 65 billion by FY26. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 135 billion by 2025. The Rs. 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major boost for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

ADVANTAGE INDIA



EVOLUTION OF THE INDIAN TEXTILES SECTORS



GROWTH DRIVERS OF TEXTILES INDUSTRY

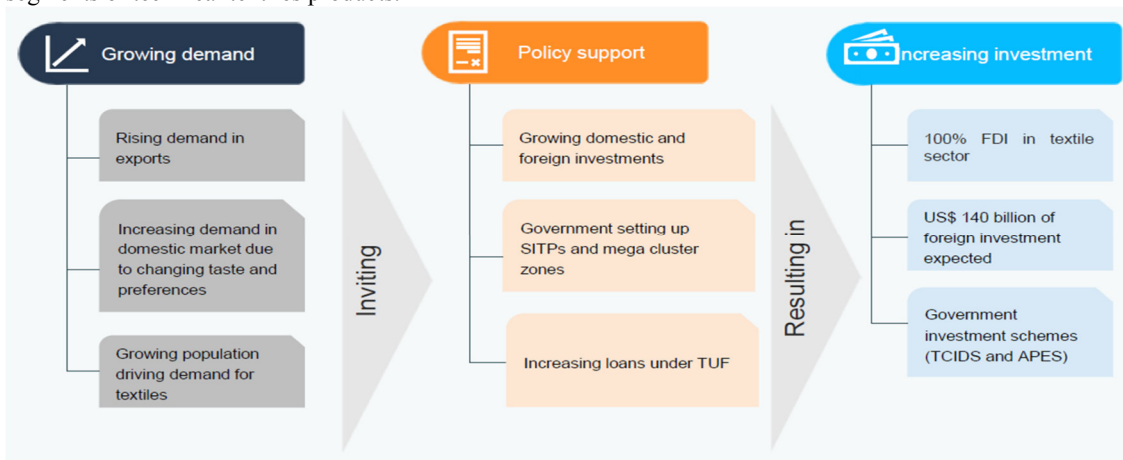
The Indian textiles market is expected to be worth >US\$ 209 billion by 2029.

India's textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22.

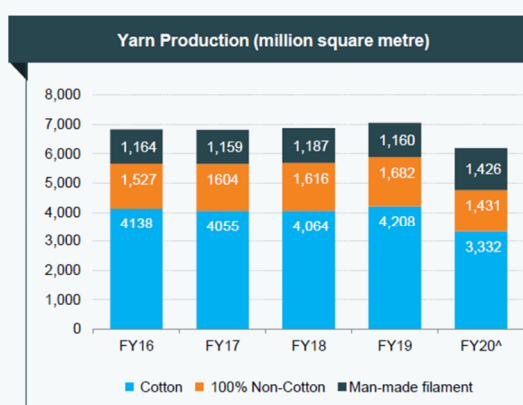
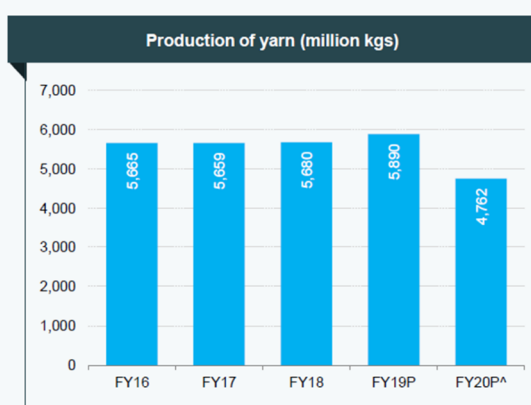
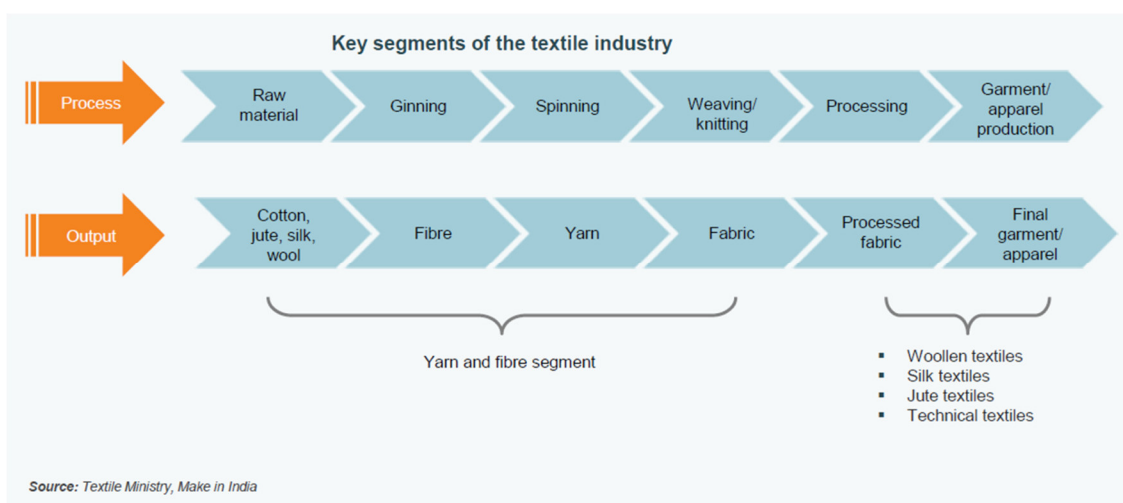
In December 2022, the Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, Mr. Piyush Goyal, advocated that India should take its textile exports to US\$ 100 billion by 2030.

In September 2021, the government approved a Rs. 10,683 crore (US\$ 1.44 billion) production-linked incentive (PLI) scheme for the textiles sector. This will benefit the textile manufacturers registered in India.

Incentives under the scheme will be available for five years from 2025-26 to 2029-30 on incremental turnover achieved from 2024- 25 to 2028-29. The scheme proposes to incentivise MMF (manmade fibre) apparel, MMF fabrics and 10 segments of technical textiles products.



KEY SEGMENTS OF TEXTILES INDUSTRY



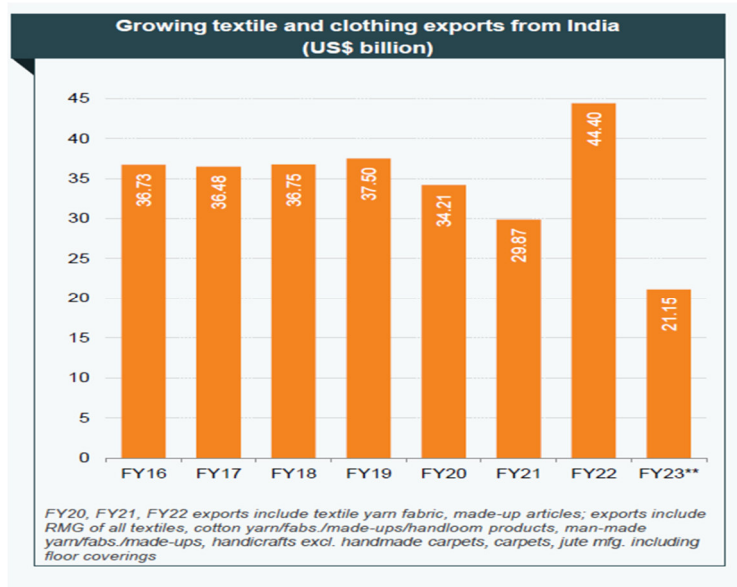
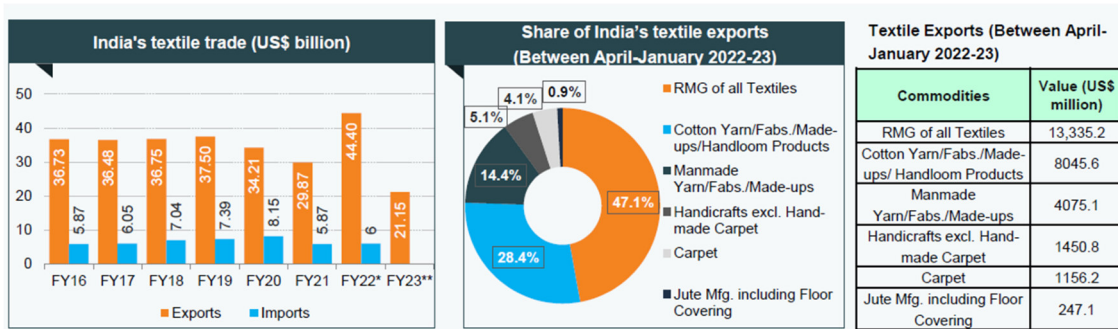
- Production of yarn grew to 5,890 million kgs in FY19 from 5,665 million kgs in FY16.
- In H1 FY23, the Indian yarn exports were estimated at 28.9 crore kg.
- Expected production of filament yarn climbed by 49% and that of man-made fibres by 33% between April-January 2020 compared to the same period in 2019. Production of blended and 100% non-cotton yarn grew by 2% from April through January 2020 in comparison to the same timeframe in 2019.
- Between April-October 2021, yarn worth Rs. 83.91 crore (US\$ 10.52 million) was exported from India.
- In March 2021, Natco Pharma announced its expansion into pheromone-based technology in order to provide Indian farmers with an integrated pest control solution. The company is planning to introduce its first green-label pheromone product to control 'pink bollworm' in cotton fields. Its Crop Health Science (CHS) division will collaborate with ATGC Biotech Pvt. Ltd. (ATGC) for the pheromone-based mating disruption technology.

*Note: P - Provisional, ^ - Until January 2020
Source: Ministry of Textiles*

EXPORT OF TEXTILES OVER THE YEARS

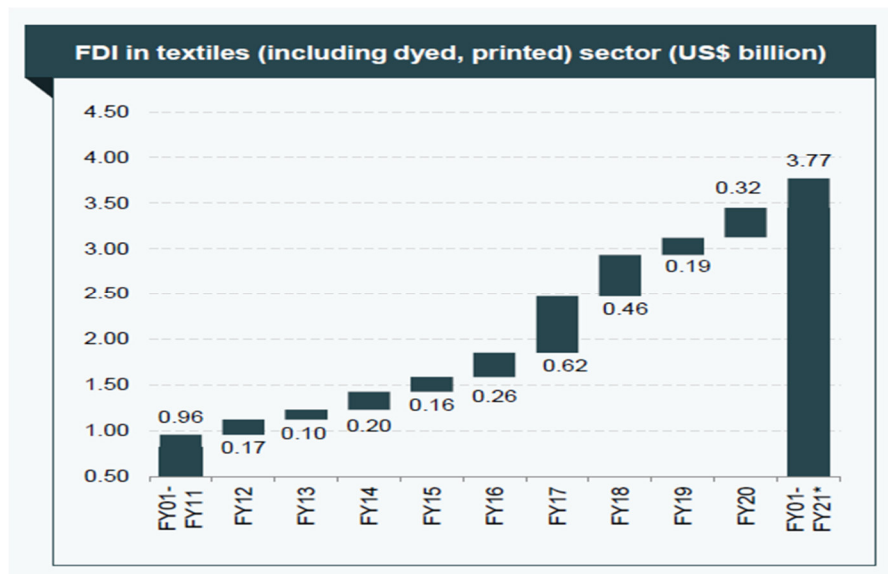
- ✓ During April-November in FY23, the total exports of textiles stood at US\$ 23.1 billion.
- ✓ Exports of textiles (RMG of all textiles, cotton yarns/fabs./made-ups/handloom products, man-made yarns/fabs./made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 44.4 billion in FY22.
- ✓ India's ready-made garment (RMG) exports are likely to surpass US\$ 30 billion by 2027, growing at a CAGR of 12-13%.
- ✓ In July 2021, the government extended the Rebate of State and Central Taxes and Levies (RoSCTL) scheme for exports of apparel/garments and made-ups until March 2021. This helped boost exports and enhance competitiveness in the labour-intensive textiles sector.
- ✓ In August 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs, Food and Public Distribution, Mr. Piyush Goyal, said that steps need to be taken to boost production capacities of the handloom sector from existing

Rs. 60,000 crore (US\$ 8.06 billion) to 125,000 crore (US\$ 16.80 billion) in three years. He added that target must be set to increase exports of handloom items from existing Rs. 2,500 crore (US\$ 335.92 million) to Rs. 10,000 crore (US\$ 1.34 billion). He also announced that a committee would be constituted consisting of all weavers, trainer equipment makers, marketing experts and other stakeholders to recommend ways and means to achieve these objectives and enhance overall progress of the handloom sector.



FOREIGN INVESTMENT FLOWING INTO TEXTILES SECTOR

- ✓ 100% FDI is permitted in the sector. Cumulative FDI inflows in the textiles sector (including dyed and printed textiles) stood at US\$ 4.2 billion between April 2000-March 2023.
- ✓ The textiles industry in India is experiencing a significant increase in collaboration between global majors and domestic companies.
- ✓ International apparel giants like Hugo Boss, Liz Claiborne, Diesel and Kanz have already started operations in India.
- ✓ In April 2021, South Korea's textile major Youngone announced that it will start its operations within six months at Kakatiya Mega Textile Park in Warangal, providing employment to 12,000 people in the region.



NOTABLE TRENDS IN THE TEXTILES SECTORS:

1. TEXTILES PARK

- Since 2014, 59 textile park projects have been sanctioned under SITP and PPP with 40% government assistance of up to Rs. 40 crore (US\$ 6 million). Of these, 24 textile parks are operational, as of July 2021
- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.
- Under the Union Budget 2021-22, Minister of Finance and Corporate Affairs, Ms. Nirmala Sitharaman, launched a 'Mega Integrated Textile Region and Apparel (MITRA) Park' scheme to establish seven textile parks with state-of-the-art infrastructure, common utilities and R&D lab over a three-year period.
- In March 2022, the Bihar government submitted a proposal to Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park.
- In March 2022, Tamil Nadu Chief Minister Mr. MK Stalin announced that the State Industries Promotion Corporation of Tamil Nadu Ltd (SIPCOT) will set up a mega textile park in the Virudhunagar district.

2. INCUBATION IN APPAREL MANUFACTURING

- The objective here has been to promote entrepreneurs in apparel manufacturing by providing them an integrated workspace and reducing operational and financial cost for establishing and growing a new business.
- As of July 2019, three projects were sanctioned by the Government, one each in Madhya Pradesh, Odisha and Haryana.

3. TECHNICAL TEXTILES

- Increased awareness of goods, higher disposable incomes, changing customer patterns and some sector-specific growth drivers are estimated to bolster the Indian technical textiles market to US\$ 23.3 billion in 2027, up from US\$ 14 billion in 2020 in the Asia-Pacific region.
- The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027.

4. PUBLIC PRIVATE PARTNERSHIP (PPP)

- The Ministry of Textiles commenced an initiative to establish institutes under PPP to encourage private sector participation in the development of the industry.
- In August 2021, Flipkart and Himachal Pradesh State Handicrafts and Handloom Corporation Ltd. (HPSHHCL) signed a memorandum of understanding (MoU) to help the state's master craftsmen, weavers and artisans showcase their hallmark products on e-commerce platforms.

5. PROMOTION OF KHADI

- In January 2023, Prime Minister Mr. Narendra Modi's vision of "Khadi for Nation, Khadi for Fashion and Khadi for Transformation", a first-ever spectacular 'Khadi Fashion Show' took place in white fields at 'Rann of Kutch'. It was organized by the Khadi and Village Industries Commission.
- Khadi and Village Industries Commission (KVIC) achieved turnover of Rs. 1.15 lakh crore (US\$ 14.68 billion) in FY22, a growth of 20.54% YoY, and more than any Indian FMCG company managed in FY22.
- In May 2022, Minister of Micro, Small and Medium Enterprises, Mr. Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.
- In November 2021, Mr. Federico Salas, the Mexican Ambassador to India, visited the Khadi India Pavilion at the India International Trade Fair 2021 and suggested that India and Mexico should come together to promote Khadi globally.

6. DIVERSIFICATION

- Raymond group under its group company, J.K. Helene Curtis, is looking to ramp up male grooming segment by unleashing new variants of shampoos and deodorants.
- In October 2020, Aditya Birla Fashion and Retail Limited approved issuance of equity shares on a preferential basis to Flipkart Investments Private Limited aggregating to Rs. 1,500 crore (US\$ 203.66 million). The company also entered into a commercial agreement in relation to the sale and distribution of its various brands.

7. RESEARCH AND DEVELOPMENT

- In June 2023, Government has approved R&D projects worth US\$ 7.4 million (Rs. 61.09 crore) in textile sector.
- In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed in the silk industry.
- Defence Research and Development Organisation (DRDO) is helping the Indian textile industry to produce yarns and eliminate dependence on import of Chinese and other foreign clothing for military uniforms.
- In October 2021, IIT Delhi converted the SMITA Research Lab Centre of Excellence in smart textiles to work on emerging materials and technologies; this step was taken to innovate the country's textile industry.

8. FOCUS ON HIGH GROWTH DOMESTIC MARKETS

- In November 2022, Tamil Nadu Chief Minister Mr. M. K. Stalin announced the establishment of a "Textile City" in Chennai as part of Tamil Nadu's strategy to become a major participant in the global textile industry. Additionally, the state will build a 1,500-acre textile park in the Virudhunagar district, for which SIPCOT will buy land.
- In June 2022, Minister of Textiles, Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, stated that the Indian government plans to establish 75 textile hubs similar to Tiruppur that would not only promote the export of textile products and assure the use of sustainable technologies, but also create a significant amount of job possibilities.

- The Government of India has increased the basic custom duty to 20% from 10% on 501 textile products to boost Make in India and indigenous production.

9. FOCUS ON BACKWARD INTEGRATION

- On July 17, 2020, the Khadi and Village Industries Commission (KVIC) inaugurated the first-of-its-kind footwear training center in Delhi to train the marginalized community of leather artisans.
- In August 2019, the Ministry of Textiles signed MoUs with 16 state governments to impart skill training which covered the entire value chain of the textiles sector except spinning and weaving.

10. FOCUS ON FORWARD INTEGRATION

- In October 2019, Asahi Songwon Colors Limited entered into a joint venture (JV) with Tennants Textile Colours (TTC) Limited to set up a state-of-the-art red and yellow pigments plant.
- On July 10, 2020, Flipkart Group bought a minority stake in Arvind Youth Brands, a subsidiary of Arvind Fashions Ltd. (AFL), for Rs. 260 crore (US\$ 36.88 million).

11. SCALING-UP ORGANIC COTTON INDUSTRY

- In March 2022, the Tamil Nadu government included a Sustainable Cotton Cultivation Mission in its agriculture budget by allocating US\$ 1.86 million (Rs. 15.32 crore) to enhance the yield of organic cotton.
- Despite being the world's largest producer of cotton, only 2% of the total amount of cotton produced in India is organic.
- In March 2021, Inditex partnered with DBS Bank in Singapore to launch a pilot programme, which would finance >2,000 Indian farmers to grow/produce organic cotton. DBS will leverage the network of local Farmer Producer Organisations (FPOs) to reach >2,000 farmers in Inditex's supply chain to evaluate their financing needs.

12. INNOVATIONS TO CREATE SUSTAINABLE TEXTILES

- Arvind Limited, the largest textile to technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specialises in rejuvenating textile waste into virgin grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills.
- The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles.
- Many Indian textile players are now opting for sustainable production. BRFL Textiles Private Limited (BTPL), India's largest fabric processing facility, has introduced a new sulphur dyeing process involving continuous dyeing without requiring water. BTPL is the first company in the textile sector to implement this new process of dyeing, making it the pioneer of this innovative sustainable process.
- Sangam India Ltd, one of the foremost producers in PV dyed yarn, cotton and OE yarn and also ready to stitch fabric, has installed two solar power plants of 5 MW that on average helps them to bring down their carbon footprint by at least 20% per annum. SIL also plans to increase the use of recycled fibre, leading to lesser consumption of plastic waste by using it as a raw material.

OPPORTUNITIES FOR TEXTILES SECTORS

1. Immense Growth Potential

- The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand.
- The textile and apparel industry is expected to grow to US\$ 190 billion by FY26.

- In October 2021, the government announced the target to achieve US\$ 100 billion from India's textile exports in the next five years.
- Urbanisation is expected to support higher growth due to change in fashion and trends.

2. Silk Production

- The total amount of Raw Silk produced was 28,106 MT. A total of 44 R&D projects were started, and 23 of them were successfully completed. 9,777 people were trained in a variety of activities relating to the silk industry.
- The Central Silk Board sets a target for raw silk production and encourages farmers and private players to grow silk. To achieve these targets, alliances with the private sector, especially agro-based industries in pre-cocoon and post-cocoon segments, are encouraged.
- The total raw silk production stood at 33,000 MT in FY21.

3. Bilateral relations

- In October 2021, the Ministry of Textiles and GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) signed a MoU to implement the 'Indo German Technical Cooperation' project. The project aims to increase the value addition from sustainable cotton production in the country.
- In March 2021, Pakistan approved reinstatement of cotton and sugar imports from India, indicating softening of bilateral relations.

4. Proposed FDI in multi-brand retail

- For the textile industry, the proposed hike in FDI limit in multi-brand retail will bring in more players, thereby providing more options to consumers.
- It will also bring in greater investment along the entire value chain - from agricultural production to final manufactured goods.
- With global retail brands assured of a domestic foothold, outsourcing will also rise significantly.

5. Union Budget 2023-24

- Under the Union Budget 2023-24, the government has allocated:
- Rs. 4,389.24 crore (US\$ 536.4 million) to the Ministry of Textiles.
- Rs. 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS).
- Rs. 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.
- Rs. 450 crore (US\$ 54.99 million) for National Technical Textiles Mission.

6. Centers of Excellence (CoE) for research and technical training

- The CoEs are aimed at creating testing and evaluation facilities as well as developing resource centres and training facilities.
- Existing 4 CoEs, BTRA for Geotech, SITRA for Meditech, NITRA for Protech and SASMIRA for Agrotech, would be upgraded in terms of development of incubation centres and support for development of prototypes.
- Fund support would be provided for appointing experts to develop these facilities.

7. Foreign investments

- The Government is taking initiatives to attract foreign investment in the textile sector through promotional visits to countries such as Japan, Germany, Italy and France.
- According to the new Draft of the National Textile Policy, the Government is planning to attract foreign investment and creating employment opportunities for 35 million people.
- In December 2019, online clothing brand Henry & Smith raised US\$ 1 million from WEH Ventures and Rukam Capital.
- India can become the one-stop sourcing destination for companies from Association of Southeast Asian Nations (ASEAN) as there exist several opportunities for textile manufacturing companies from 10-nation bloc to invest in India.

(Source: Textiles and Apparel, May 2023, www.ibef.org)

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 20 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 titled '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. 20, 123 and 147 respectively, of this Draft Prospectus.

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

Overview

Company Background

Our Company was originally incorporated as 'Kalahridhaan Trendz Private Limited' as Private Limited Company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated May 27, 2016 bearing Corporate Identification Number U17299GJ2016PTC092224 issued by the Deputy Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on November 07, 2017 and consequently the name of our Company was changed to “Kalahridhaan Trendz Limited” and a fresh certificate of incorporation was issued by the Asst. Registrar of Companies, RoC, Ahmedabad dated November 27, 2017 bearing Corporate Identification Number U17299GJ2016PLC092224.

Our journey so far

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

Our Company is engaged mainly in the business of manufacturing and trading of Fabric with embroidery works, Trading of grey cloths, purchase of grey cloth and printing and dyeing for preparing suiting, shirting and dress materials for sale it in the market.

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

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

Our Present Business Activities

Our main business activities can be mainly divided in to two segments.

- Embroidery Knitting activities and
- Cloths dying and Printing activities.

Embroidery Knitting activities

A. Embroidery Unit Process (Finished Product: Dress Material)

- 1) First Stage Procurement of Grey Fabrics from the market
After Receiving the Grey Fabrics from the Supplier, Unit Employee further process for the counting of the fabrics and matching the same with order quantity.
- 2) Procurement of YARN for Embroidery Process
- 3) Development of Design in house by our Skilled Staff
- 4) Sharing the Design with the buyer for their approval
- 5) Getting the order with the approved design
- 6) Process the fabric over the schiffli embroidery machine for the embroidery process
- 7) Send the developed product for the Quality Control Department for quality check
- 8) Send the Product to final desk for the checking
- 9) Folding and cutting as per the order size
- 10) Dispatch product.

B. Cloths dying and Printing activities (Process House)

The cloths dying and printing activities are carried out through the following stages.

1. Singeing (Surging)

Singeing is a process in which all sorts of surface fibres are removed. It is basically a preparatory machine. All the grey cloth requires Singeing and Scouring before being sent for further processing.

2. DE sizing and Scouring

DE sizing process involves removing the additives used during weaving. Sizing additives take many forms. Starch and wax with water soluble modified starches, PVA, acrylics and sometimes mixture of any or all are used. These must be removed; therefore, desizing is an essential step in fabric preparation. Scouring is a process where oil, grease, fat, waxes and brushing cotton seeds are removed from the grey cloth.

3. Bleaching

Bleaching is a process which increases absorbency of the cloth, and reflectance for pale dye shades. This is one of the essential processes involved in manufacturing of our products.

4. Mercerizing

Mercerizing increases lustre, strength, dye affinity and dimensional stability.

5. Dyeing

The dyeing unit comprises of the pad/dry, infra-red pre drying, Thermo sol, cooling, chemical paddler, steamer, wash oxidised, soap and rinse, final dyeing, batch and fold.

6. Flat Bed Printing Range

Flatbed printing range suitable to print up to 2000 mm wide fabric with 8 to 12 colour printing is used.

7. Rotary Printing Range

Stork/I chinos printing range suitable to print 2000 mm wide fabric with 8 to 12 colour printing in 640mm repeat in one single colour is used for fine printing.

8. Print Dryer

The Rotary screen-printing machine is connected to dryer in continuous manner so that wet cloth is immediately dried after printing. This is important for the reason that if wet cloth is stored after printing then designs /colours gets tampered/damaged. Drying is done by either using steam or heated thermic oil by means of heat exchangers located near fans of dryer.

9. Print Steamer (Loop ager)

After printing, colours are to be fixed on fabric, which is done by using saturated steam.

10. Soaper and Dryer

Loose colour remaining on fabrics after printing has to be washed out to achieve fastness properties and proper brilliance of prints, which is done by soaping the cloth, and then it is washed and dried in continuous machine.

11. Stenter

Stenter is a finishing machine which dries up the cloth and removes the dimensional instability that occurs during the processing. The final finishing of fabric is always done on a Stenter. The Stenter are normally provided with a padder, a bow and a weft straightener device. The cloth to be finished passes through the padder, where finishing chemicals are added and goes through bow and weft correction device before entering the drying chamber. It can be either pad or dip stenter. The pair chains hold the cloth horizontally. The process is pad-dry and drying is achieved by blowing hot air in the stenter chamber. The stenter is the most important machine in the finishing.

12. Calendaring

Calendaring is a process of drying and giving the finishing effect. While calendaring some of the additives are added for giving more value addition such as enzyme wash to the cloth. All the lab tests used after the Stenter are being used after calendaring. Few more tests are conducted as per the customer demand in the lab after finishing operation is completed. These are, oil repellence, soil release, water repellence, water resistance, wrinkle recovery, formaldehyde, durable press test.

13. Checking and Folding

Once the process is complete with the desired result, the entire fabric is checked before the folding. The folding of the cloth, in small batches is prepared prior to transferring it to stitching section. The automatic folding machines are used for this purpose.

14. Quality Control

We are very much careful about the quality of raw materials procured and of finished products processed at our factory. As a part of quality control, we follow the following procedure in our business.

15. Sampling

Sampling is done by way of procuring small quantities of grey fabric of requisite quality and getting the design printed on it. Once a design/pattern is approved and interest is shown by the customers, the price negotiation, quantities, delivery schedules, terms of payment are decided and a purchase order confirmation is obtained from the customer.

16. Grey inspection and checking

Every supply of grey cloth needs a thorough check for quality of the material. The following procedure is followed by us for checking of grey materials: -

- Checking of damage made during the transit
- Checking of quantity supplied
- Checking of count, reed and pick
- Checking of GSM of the cloth
- Checking of width of the grey
- Checking of knots in every meter of grey
- Checking of any deformity of construction of grey

- Checking of any unusual cuts in the cloth

After conducting all the aforementioned tests, the full and final payment to the vendor is released. These checks are essential before further processing of the grey cloth.

Quality control and tests at each stage at the manufacturing process

After passing through the Singeing and Scouring process, the fabric undergoes the pilling test to determine the pilling and fuzzing characteristics of the fabric. Thereafter another test is conducted to determine the abrasion and pilling resistance of the fabric. If the sample fails this test as per specifications provided by the buyer, then the grey cloth is sent back for Singeing.

De-sizing is the next step after which the TEGAWA test is conducted in a lab to check the presence of starch and other substances in the grey cloth and in the event the material fails this test then it is required to undergo the process of De-sizing.


The absorbency test, whiteness test and ph. testing are carried out in the lab after completion of the processes of bleaching, washing and drying.

Subsequent to the Mercerizing process the fabric undergoes ph. testing and TWEDDEL and Barium tests to check the concentration of caustic in the fabric. The operation is repeated in case the fabric fails the tests.

Post completion of the dyeing process, a number of tests are carried out to test the colour matching of the sample as per the buyer’s demand and colour fastening of the cloth. The dyeing process has to be repeated in the event the fabric fails these tests.

After completion of printing on the fabric, the tests relating to colour matching and fastening are carried out once again.

Once the Stenting process is completed, lab tests are conducted for carrying out the shrinkage tests, tensile strengths and tear strengths of the fabric.

With a State of Art R&D Laboratory we Assure Optimum Quality to our Customers		
>	Sample Padder,	
>	Light Box,	
>	Washing Machine,	
>	Tumbler Dryer,	
>	Tumbler Washer,	
>	Strength Testing Machine,	
>	Crocking Fastness Meter,	
>	GSM Cutter & Weighting Scale,	
>	Drying Oven,	
>	Auto Dispensing System (Copower),	
>	ICI Peel Box,	
>	ROTO Dyer (copower),	
>	Spectra Photometer (Gretag Macbeth)	

Currently all our Products are FB Free, we do this by Sourcing Dyes, Chemicals & Auxiliaries of International Standards & Manufacturers Like, Huntsman, Kroda, Colortex, Jay Chemicals, Atul, Dystar, Jaysynth, Tata Chemicals, Gacl, Rudolf, Clariant and Many More.

Research and Development

Conceptualization and Development of Design

There is a continuous process of conceptualization and development of design in the fashion market as per the liking and changing trends of the user’s habits. Design team continuously works to make innovative designs. This process is

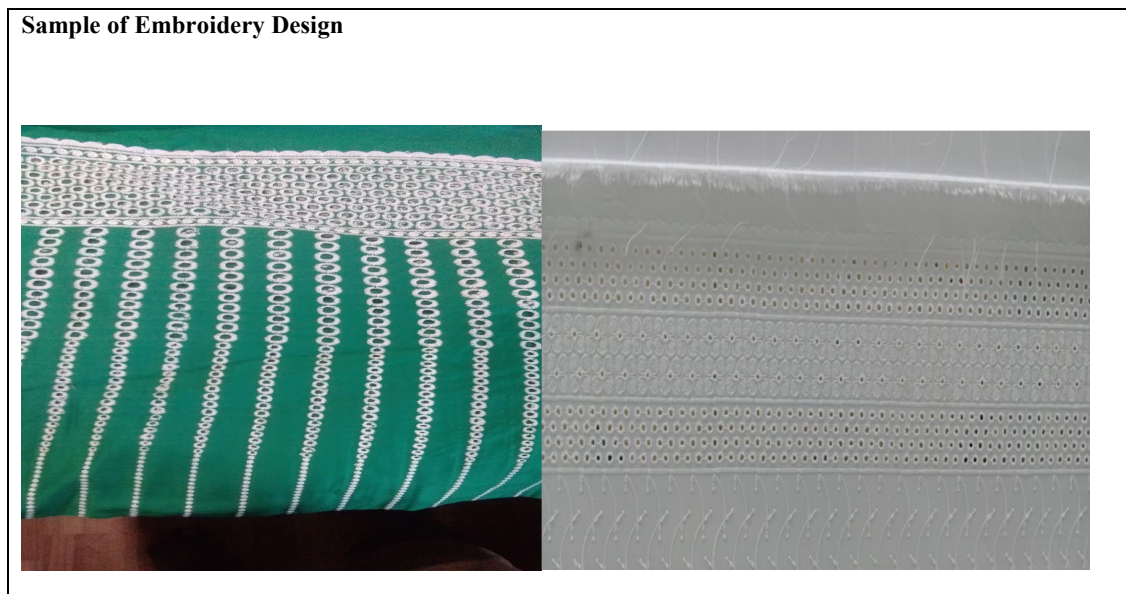
undertaken with tastes, trends, regions and habits of the target customers. The company prepares the design with the help of its designers and marketing personnel. Our team of designers and marketing personnel collect designs from international brands and trendsetters, magazines, latest fashion houses. After receiving the designs necessary changes/up gradations are made in our design studio and sent back with the fabric sample. The manufacturing of the product commences once the sample fabric is approved and confirmed order is received.

The New R & D Centre will help us promote our activities directly to international buyers giving them optimum standards in production and accurate laboratory report with a good B2B Tier2 connectivity for buyers to source standardised fabrics.

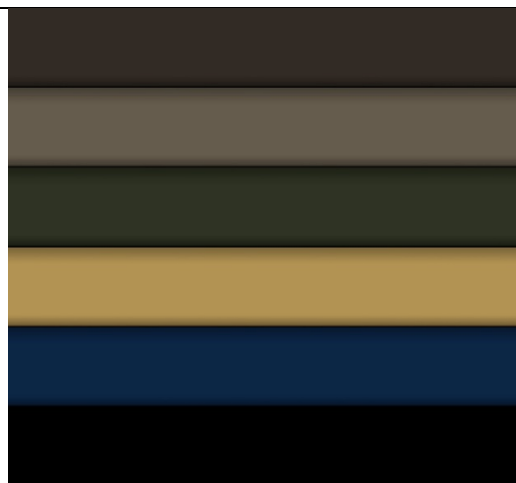
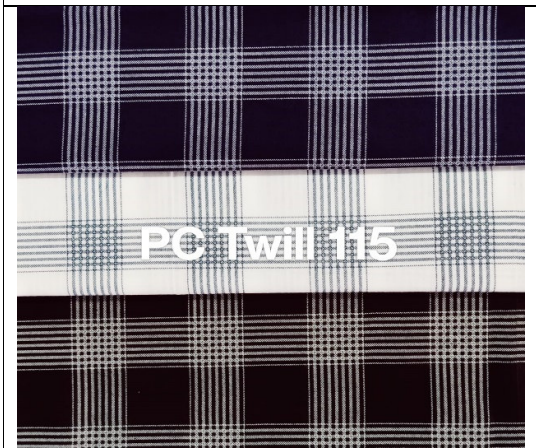
Our Products

At our embroidery knitting unit, we are carrying out the work of embroidery on grey(washed) cloths. Some of the pictures of products are given below:

Embroidery Products



Pics of Suiting, shirting and Dress Materials



Our competitive strength

Experience Promoters and Team

Our promoter has vast experience over 35 years with sound market knowledge been involved in the trading and manufacturing/embroidery of clothing and cotton grey fabric and process house of dyeing and printing of cloth. Since year 2016, which has enabled us to successfully implement our growth strategies. We benefit from the experience of the promoters and core management team.

Prime Location of our manufacturing Unit

The manufacturing unit are located at the outskirts of the Ahmedabad City on Narol Circle and thus enjoys the good connectivity with different parts of the states, which makes the movements of the raw- material as well as finished products very easy and comfortable. Thus, it helps in procurement of raw material and dispatch of our finished products to the various clients. Road, rail and air connectivity from Ahmadabad to the various states of India is easily available.

Quality Assurance

All products that dispatch from the factory premises are inspected by the packing and dispatch department. Further, quality check is done at every stage of manufacturing to ensure the adherence to desired specifications. Since, our Company is dedicated towards quality of products, processes and inputs; we get repetitive orders from our buyers, as we are capable of meeting their quality standards, which enables them to maintain their brand image in the market.

Unique kind of product

We are in to unique kind of product manufacturing which has huge market opportunity. Very few embroidery factories are in the market and therefor there is a tremendous demand in the market for our products.

Competition

The company has entered into the manufacturing of the products which has tremendous demand in the market and we have also created our own name in the market, but at the same time it is very competitive market. We have to face competition from organized and unorganized players.

We have to face competition from organized and unorganized players in our process house business. However, in view of our long-term business relation with the customers, we are getting repeat orders regularly from the existing customers.

Our business strategy

1. Maintain and expand long-term relationships with clients

Our Company believes that business is a by-product of relationship. The business model is based on client relationships that are established over period of time rather than a project-based execution approach. Our Company believes that a long-term client relationship with large clients fetches better dividends. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely.

2. Optimal Utilization of Resources

Our Company constantly endeavours to improve our production process, skill up-gradation of workers, modernization of machineries to optimize the utilization of resources. We regularly analyse our existing material procurement policy and manufacturing process to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

3. Commencement of Process house operations

To satisfy the customer demands for the printed quality suiting, shirting and dress materials of our existing customers as well as new customers, we have started process house operations, wherein we are carrying out the dyeing and printing of suiting, shirting and dress materials. Thus, we are expanding the business and customers also.

Location of our Business Units:**Registered Office and Our Embroidery unit is situated at:**

57, Ashra Industrial Estate, B/h Mahalaxmi Fabrics, Near Narol Cross Road Ahmedabad -382405.

Our Process House unit is situated at:

299, Matan Gali, Narol -Vatva Road, Ahmedabad – 382405

Godown:

288/02, Anurag Compound Opp. Aradhana Process House, Matan Gali Narol- Vatva Road, Ahmedabad - 382405

Plant & Machinery:

We have following major machineries at Embroidery Unit:

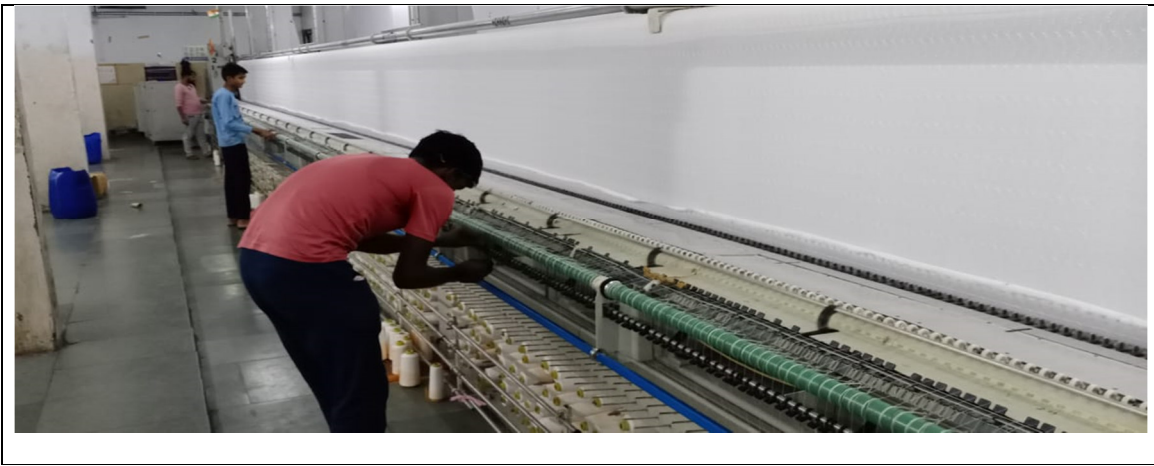
We have 2 nos. of computerized multiple needle Embroidery Machines in our factory

We have following major machineries at process house:

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

Photos of machineries used in embroidery units:

Embroidery Process over the Machine



Plant & Machinery Overview Photo



Computerized screen & display of Machine Working of Pattern & Design



Photos of machineries used in process house:

Finished Fabric from Stenter machine

Process of Fabric from Stenter machine



Jiger Machine For Dying over the fabrics



Roller Printing Machines



Printing Finished Product



Dryer facility machines



Technology

Our existing embroidery unit have 2 nos. of computerized multiple needle Embroidery Machines in our factory. These machines are completely automatic and worked in connection with the order from computers. So, the design prepared and developed by our in-house R & D department is loaded in Computer and by giving command in computer the embroidery machines work according to the designed upload.

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

Power

We have been sanctioned load of 400 KW for our process house power supply requirement and 52.290 KW for our embroidery unit, from Torrent Power Limited, Ahmedabad. The above said power supply is sufficient for both of our units.

Water

Our process house requires sizable quantity of water, which we met from own bore well.

Permission of Pollution Control Department

We have received consent and authorization consent Order No. W- 108711 dated July 13, 2020 from Gujarat Pollution Control Board for the discharge of trade effluent & emission due to operation of Industrial Plant for manufacture of processing of cloth 2,00,000meters/month, which is valid up to December 31,2024.

Human Resources

Sourcing and managing human resources are an asset to any industry. We believe that our employees are the key to the success of our business. We focus on hiring and retaining employees and workers who have prior experience in the textile Industry. We view this process as a necessary tool to maximize the performance of our employees.

As on August 31, 2023, we have the total strength of 12 permanent employees in various departments. The details of which is given below:

Sr.No.	Particulars	No. of Employees
1.	Management and Finance	5
2.	Production/Manufacturing and Maintenance	4
3.	Administrative and Marketing	3
Total		12
4.	Skilled and Semi-Skilled Labour on job work basis	250*
Total		262

* Every month contract labour submit invoice for the total job work done by them.

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

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.

SALES AND MARKETING:

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

Capacity and Capacity Utilization of Manufacturing/Weaving Unit

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

State wise sales during last three years

Sr. No.	Name of State	2022-23		2021-22		2020-21	
		Sales (Rs.)	% to the total sales	Sales (Rs.)	% to the total sales	Sales (Rs.)	% to the total sales
1.	Gujarat	17195.22	93.37	15794.59	85.88	11431.07	86.36
2.	Delhi	210.97	1.15	210.82	1.15	365.30	2.76
3.	Maharashtra	78.02	0.42	89.25	0.49	72.50	0.55
4.	Punjab	180.64	0.98	491.91	2.67	358.75	2.71
5.	Rajasthan	31.71	0.17	615.84	3.35	44.67	0.34
6.	Tamilnadu	7.10	0.04	54.93	0.30	82.15	0.62
7.	Uttar Pradesh	667.28	3.62	1089.50	5.92	829.46	6.27
8.	West Bengal	45.91	0.25	43.62	0.24	52.01	0.39
		18416.85	100	18390.46	100	13235.91	100

The financial performance of our Company for last three Financials Years are as stated under:

Particulars	Amount (Rs in Lacs)		
	2022-23	2021-22	2020-21
Sales	18416.85	18390.14	13235.91
Other Income	-	-	-
Total Income	18416.85	18390.14	13235.91
Net Profit	666.01	246.20	110.54

Intellectual Property Rights

For further details of the trademarks registered in the name of our Company and the applications made for registration, please refer "Government and Other Approvals" on page 164 of this Draft Prospectus.

Export possibility and obligation

We do not have any export possibility and obligation as on date of this Draft Prospectus.

Details of Immovable Property:

Company has taken following Properties on rent basis:

Particulars	Details
Name of Licensor	Manish Garments
Name of the Licensee	Kalahridhaan Trendz Limited
Address	57, Ashra Industrial Estate, B/h Mahalaxmi Fabrics, Near Narol Cross Road Ahmedabad -382405.
Date of agreement	October 15, 2018
Rent per month	Rs. 25,000 p.m.
Purpose	Registered Office and Factory for cloth processing work
Area in Sq. yards.	Approximately 2,000 Sq. yards
Duration of Agreement	5 yrs. w.e.f. 01/08/2023

Particulars	Details
Name of Licensor	Devdiwala Mohmedsharif Ahmedji and others, the partners of Aradhna Textile Mills
Name of the Licensee	Kalahridhaan Trendz Limited
Address	299, Matan Gali, Narol -Vatva Road, Ahmedabad,Pin - 382405
Date of agreement	February 12, 2022
Rent per month	Rs. 2,50,000 p.m.
Purpose	Dying and Printing Unit
Area in Sq. yards& Machineries	Approximately 6,000 Sq. yards and Machineries.
Duration of Agreement	50 months w.e.f. 01/02/2022 to 31/03/2026

Particulars	Details
Name of Licensor	Devdiwala Yusufbhai Ahmedji and others, the partners of Aradhna Textile Mills
Name of the Licensee	Kalahridhaan Trendz Limited
Address	288/02, Anurag Compound Opp. Aradhana Process House, Matan Gali Narol- Vatva Road, Ahmedabad - 382405
Date of agreement	February 12, 2022
Rent per month	Rs. 40,000 p.m.
Purpose	Godown
Area in Sq. yards & Machineries	Approximately 5,700 Sq. yards
Duration of Agreement	50 months w.e.f. 01/02/2022 to 31/03/2026

Insurance -1

Particulars	Details
Name of the Insurance Company	Universal Sampo General Insurance
Name of Insured	Kalahridhaan Trendz Limited
Policy No	2125/66076553/01/000
Type of Policy	Bharat Sookshma Udyam Suraksha
Validity Period	00:00 of 16/02/2023 to 23:59 of 15/02/2024
Premium Paid (Rs)	Rs. 78,352.00
Sum Insured	Rs. 4,00,00,000
Items Insured	Finished Stock Godown of Textile And Fabric
Insured Address	288/02, Anurag Compound Opp.Aradhana Process House, Matan Gali Narol- Vatva Road,Ahmedabad - 382405

Insurance -2

Particulars	Details
Name of the Insurance Company	Universal Sampo General Insurance
Name of Insured	Kalahridhaan Trendz Limited
Policy No	2125/66076554/01/000
Type of Policy	Bharat Sookshma Udyam Suraksha
Validity Period	00:00 of 16/02/2023 to 23:59 of 15/02/2024
Premium Paid (Rs)	Rs.97,940.00
Sum Insured	Rs. 5,00,00,000
Items Insured	Finished Stock Godown of Textile and Fabric
Insured Address	57, Ashra Industrial Estate, B/h Mahalaxmi Fabrics, Near Narol Cross Road Ahmedabad -382405.

Insurance -3

Particulars	Details
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Name of the Insurance Company	Universal Sompo General Insurance
Name of Insured	Kalahridhaan Trendz Limited
Policy No	2124/66076435/01/000
Type of Policy	Bharat Laghu Udyam Suraksha
Validity Period	00:00 of 16/02/2023 to 23:59 of 15/02/2024
Premium Paid (Rs)	Rs.1,98,240.00
Sum Insured	Rs. 5,00,00,000
Items Insured	Stocks In Process at Cloth Processing Unit
Insured Address	299, Matan Gali, Narol -Vatva Road, Ahmedabad,Pin - 382405

Insurance -4

Particulars	Details
Name of the Insurance Company	Universal Sompo General Insurance
Name of Insured	Kalahridhaan Trendz Limited
Policy No	2124/66076436/01/000
Type of Policy	Bharat Laghu Udyam Suraksha
Validity Period	00:00 of 16/02/2023 to 23:59 of 15/02/2024
Premium Paid (Rs)	Rs. 1,38,768.00
Sum Insured	Rs. 7,00,00,000
Items Insured	Stocks In Process at Cloth Processing Unit
Insured Address	168, Shalin Textile Building, Pirana Road, Nr. Advance Petro Chemicals, Piplej, Saipur, Ahmedabad - 382405

Insurance -5

Particulars	Details
Name of the Insurance Company	Universal Sompo General Insurance
Name of Insured	Kalahridhaan Trendz Limited
Policy No	2125/66080252/01/000
Type of Policy	Bharat Sookshma Udyam Suraksha
Validity Period	00:00 of 16/02/2023 to 23:59 of 15/02/2024
Premium Paid (Rs)	Rs. 19,824.00
Sum Insured	Rs. 1,00,00,000
Items Insured	Finished stock at Cloth Processing Units
Insured Address	Anjani Synthetics Ltd, 140, Saipur Pirana, Piplej Ahmedabad- 382405

KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is an overview of certain sector specific relevant laws and regulations as prescribed by the Government of India and other regulatory bodies which are applicable to the business and operations of our Company. The information detailed in this section has been obtained from publications available in public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see “Government and other Approvals” on page 164. The statements below are based on the current provisions of the Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions

TEXTILE / INDUSTRY RELATED SCHEMES AND POLICIES

Production-Linked Incentive Scheme in Textiles Products

In November 2020, the Union Cabinet approved the introduction of the Production-Linked Incentive Scheme in Textiles Products to enhance India’s Manufacturing Capabilities as well as Exports. An amount of ₹10,683 Crore has been approved as an outlay for a period of 5 years covering FY 2025-26 to FY 2029-30. This initiative will be implemented by the Ministry of Textile and is expected to cover forty product categories under man-made fiber.

Gujarat Textile Policy, 2012 (Integrated Approach to Strengthen the Value Chain for the 5 Fs – Farm, Fibre, Fabric, Fashion (Garment) and Foreign)

The State of Gujarat introduced the Gujarat Textile Policy, 2012 with an aim to enhance the growth of cotton farmer by way of better price realization and enable them to withstand the uncertain and price fluctuation of cotton, both in domestic and international market in one hand and to strengthen the entire value chain for the growth and development of textile sector in Gujarat by working on the 5 Fs - Farm, Fibre, Fabric, Fashion(garment) and Foreign (export) on the other hand. Eligible entities will be provided various incentives under the different schemes under the policy. Major schemes under the policy are as follows:

- **Interest Subsidy Scheme**
- **Special Concession in Power tariff**
- **Support to Technical Textiles**
- **Assistance for Energy and Water Conservation and Environment Compliances**
- **Assistance for Technology Acquisition and Upgradation**
- **Assistance to Apparel Training Institutions and Trainees**
- **Training Support to Power Loom Sector**
- **Scheme for Integrated Textile Parks**

New Gujarat Industrial Policy 2015

Gujarat has witnessed strong growth in Micro, Small & Medium Enterprises (MSMEs) sector which covers the medium sector of Gujarat. MSME sector has a special importance as this is the sector which belongs to common man. Gujarat Government wishes to strengthen the sector by making it more technology-driven. This type of support will come by way of interest subsidy for manufacturing and service sector, venture capital assistance, quality certification, technology acquisition fund, patent assistance for national and international, energy and water conservation audit, market development assistance and support, MSMEs for credit rating, raising capital through –SME exchange, reimbursement of CGTSME scheme for collateral free loan, state awards under MSMEs and skill development etc. Support would also be extended for development of ancillary and auxiliary enterprises for labour intensive industries.

The Government of Gujarat will constitute separate awards for MSMEs. The awards will be for achieving excellence through growth and production profit, quality improvement measures, Environment improvement measures and Innovation and new product/process/technology development. The policy encourages adoption of new and innovative technologies by providing financial support will be provided to each cluster for every innovative technology, setting up R&D Institutions, setting new laboratories, financial support through partial reimbursement of cost for filing domestic patents and international patents.

Gujarat government shall be taking market development initiatives with the intention of giving enhanced visibility to local produce from large industries and specifically from MSMEs. Government of Gujarat stresses on “Zero Defect” to produce globally-competitive, locally manufactured goods. One of the expansive marketing practices around the globe is

participation in international and domestic trade fairs to show one's products or wares. Government of Gujarat will make market credit available to MSMEs.

Quality improvement is strongly envisaged in the new industrial policy. The assistance will be granted by national (approved by quality council of India) and international certification. The policy also intends to encourage use of enterprise resources planning system (ERP) for MSMEs.

Gujarat Industrial Policy, 2020

Gujarat Industrial Policy, 2020 has been introduced to create an enabling business environment facilitated by a single window system, to enable industries to set high quality standards and enhance exports to have a focused approach for industrially underdeveloped areas and facilitate inclusive and balanced regional growth, to promote industries focusing to adopt sustainable, cleaner manufacturing and innovative Industry practices, to strengthen MSMEs and facilitate cluster development, and to strengthen complete value chain across product segment with focus on the objective of an "Atmanirbhar Bharat". The Gujarat Industrial Policy, 2020 aims to establish a business environment facilitated by a single window system to encourage industries to set high quality standards, facilitates inclusive and balanced regional growth, sustainable manufacturing and innovative industry practices. Additionally, the policy intends to strengthen MSME's and complete value chain across product segment with an objective of "Atmanirbhar Bharat". Further, it strengthens R&D, innovation and entrepreneurship, provide increased impetus to certain Thrust Sectors with significant potential for employment, exports, investments etc. and facilitates growth of service sector industries in the State.

The policy provides various measures have undertaken various measures and regulatory reforms to enhance ease of doing business in Gujarat State. It aims to facilitate a process for the speedy issuance of various licenses, clearances and certificates required for setting up a business unit.

This policy shall be valid for a period of 5 years from August 7, 2020.

The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act"):

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

Export Promotion Capital Goods Scheme (EPCG Scheme)

The EPCG Scheme allows import of capital goods for pre-production, production and post-production at 5% customs duty subject to an export obligation equivalent to 8 times of the duty saved on capital goods imported under the EPCG Scheme to be fulfilled over a period of 8 years reckoned from the date of issuance of the license. The EPCG Scheme covers manufacturer exporters with or without supporting manufacturer(s)/ vendor(s), merchant exporters tied to supporting manufacturer(s) and service providers. 2. Advance Authorization Scheme Advance Authorization Scheme is a duty exemption scheme issued to allow duty free import of inputs, which are physically incorporated in export product (making normal allowance for wastage). In addition, fuel, oil, energy, catalysts which are consumed /utilized to obtain export product, may also be allowed. The DGFT, by means of Public Notice, may exclude any product(s) from the purview of Advance Authorization. Advance Authorizations are exempted from payment of basic customs duty, additional customs duty, education cess, antidumping duty and safeguard duty, if any. The facility of Advance Authorization shall also be available where some or all inputs are supplied free of cost to exporter by foreign buyer.

Market Access Initiative ("MAI") Scheme

Market Access Initiatives (MAI) Scheme is an Export Promotion Scheme envisaged to act as a catalyst to promote India's export on a sustained basis. The scheme is formulated on focus product-focus country approach to evolve specific market and specific product through market studies/survey. Assistance would be provided to Export Promotion Organizations/ Trade Promotion Organizations/National Level Institutions/ Research Institutions/ Universities/ Laboratories, Exporters, etc., for enhancement of export through accessing new markets or through increasing the share in the existing markets. Under the Scheme the level of assistance for each eligible activity has been fixed.

- Financial assistance for carrying out marketing projects abroad
- Assistance for building capacity for exporters, export promotion organizations, etc.

- Assistance on reimbursement basis to exporters for charges/fees paid by them for fulfilling the statutory requirements in the buyer country.
- Assistance for conducting studies
- Assistance in developing projects leading to substantial improvement in market access

There is an Empowered Committee (EC), chaired by Secretary (Textiles) which considers and approves the proposals and also monitors the implementation of the sanctioned proposals.

EMPLOYMENT AND LABOUR LAWS

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the concerned Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund at the prescribed percentage of the basic salary/wages and dearness allowances payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees' Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the organization provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Employees' State Insurance Act, 1948 (the "ESI Act")

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year are required to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any

day. The gratuity shall be payable to an employee on cessation of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948 (“MWA”) came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving atleast two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14years 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.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time.

Also, a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor is to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, layoffs and retrenchment

Legal Metrology Act, 2009 (“Legal Metrology Act”):

The Legal Metrology Act, 2009 came into effect on January 14, 2010 and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The Legal Metrology Act, inter alia, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

International Commercial Terms (“Incoterms”)

Incoterms are standard trade definitions most commonly used in international sales contracts. Devised and published by the International Chamber of Commerce (“ICC”), they are at the heart of world trade. ICC introduced the first version of Incoterms in 1936. Most contracts made after January 01, 2000 will refer to the latest edition of Incoterms, which came into force on that date. The correct reference is “Incoterms 2000”. Unless the parties decide otherwise, earlier versions of Incoterms - like Incoterms1990 - are still binding if incorporated in contracts that are unfulfilled and are dated before January 01, 2000. The latest version of Incoterms is designed to bring Incoterms in line with the latest developments in commercial practice. Correct use of Incoterms goes a long way to providing the legal certainty upon which mutual confidence between business partners must be based. Among the best-known Incoterms are EXW (Ex works), FOB (Free on Board), CIF (Cost, Insurance and Freight), DDU (Delivered Duty Unpaid), and CPT (Carriage Paid To)

Bureau of Indian Standards Act, 2016 (the “BIS Act”)

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. The BIS Act enables the Central Government to appoint any authority/agency, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity. Further, there is also a provision for repair or recall, including product liability of the products bearing standard mark but not conforming to the relevant Indian Standard.

Consumer Protection Act, 2019

The Consumer Protection Act, 2019, along with the Consumer Protection (E-Commerce) Rules, 2020 (“COPRA”) has superseded Consumer Protection Act, 1986 and came into force on July 20, 2020 and July 23, 2020, respectively. The COPRA has been promulgated to provide for the protection of consumers’ interests, to establish authorities for timely and effective administration, to settle consumers’ disputes and other connected matters. It provides for establishment of the Central Consumer Protection Council to render advice on the promotion and protection of consumers’ rights and the Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices, and false or misleading advertisements which are prejudicial to the interests of public and consumers. The

Consumer Disputes Redressal Commissions at the district, state, and national levels are also established under the COPRA. The COPRA also governs the online sale of goods, services, digital products by entities which own, operate, or manage digital or electronic facility or platform for electronic commerce, all models of e-commerce (including marketplace or inventory based), and all e-commerce sellers. It lays down the duties and liabilities of E-Commerce entities and e-commerce sellers.

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.

Gujarat VAT Act

Gujarat Value Added Tax, 2003 (GVAT Act) is made effective in the state of Gujarat from 1st April, 2006. On its implementation following Acts are repealed.

- The Gujarat Sales Tax Act, 1969,
- The Bombay Sales of Motor Spirit Taxation Act, 1958,
- The Purchase Tax on Sugarcane Act, 1989.

However, provisions relating to pending assessment, appeals, recovery etc., under the above Acts will survive the basic requirement of charging tax under GVAT Act is that where any sale in the course of business is affected, in the State of Gujarat, VAT is payable under GVAT Act. Transactions made in the course of business only are covered under the GVAT Act.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Tax Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate

application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

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 schedules 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

OTHER LAWS

Shops and Commercial Establishments legislations in various states

Under the provisions of local shops and commercial establishment legislations applicable in the states in which establishments are set up, establishments are required to be registered under the respective legislations. Contravention to provision of shops and commercial establishment legislations may entail penalty including imprisonment along with fine. These legislations regulate the condition of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work, among others.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992 the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

The Factories Act, 1948

The Factories Act, 1948 (“Factories Act”) aims at regulating labour employed in factories. A “factory” is defined as “any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...”. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the “occupier”, being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a

written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees

The Arbitration and Conciliation Act, 1996

The purpose of the 1996 Act is to amend and unify domestic arbitration and international commercial arbitration and enforce foreign arbitral awards. The law was also amended in 2015 and 2019 to reduce court involvement in the arbitration. Section 89 of the Civil Procedure Code focuses on the importance of arbitration.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 (“Environment Protection Act”)

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act 1981 (“the Act”) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act 1974 (“the Act”) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

Hazardous Waste (Management and Handling) Rules, 1989

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to

contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999

The Trade Marks Act, 1999 (the "Trade Marks Act") provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TradeMarks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

The Companies Act, 2013/1956

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 (Ninety Eight) Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 (One Eighty-Three) Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has

been omitted and Section 76A has been inserted in the Companies Act, 2013. 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.

Competition Act, 2002 (“Competition Act”)

The Competition Act, 2002 aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

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 years, and with fine which may extend to twice the amount of the cheque, or with both.

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.

OTHER LAWS:

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2017 (“FDI Policy 2017”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“RBI”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as “Kalahridhaan Trendz Private Limited” as a private limited company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated May 27, 2016 bearing Corporate Identification Number U17299GJ2016PTC092224 issued by the Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted into a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on November 7, 2017 and consequently the name of our Company was changed to “Kalahridhaan Trendz Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated November 27, 2017. The Corporate Identification Number of our Company is U17299GJ2016PLC092224.

Business and Management

For a description of our activities, services, technology, the growth of our Company and regional geographical segment in which our Company operates, please refer to chapters titled “Business Overview”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 81, 71, and 147 of this Draft Prospectus, respectively. For details of the management and managerial competence of our Company, please refer chapter titled “Our Management” on page 109 of this Draft Prospectus.

Changes in Registered Office

Sr. No.	Registered Office		With Effect From	Reason for Change
	Shifted From	Shifted To		
1.	47, Ashra Industrial Estate, B/H Mahalaxmi Fabrics, Nr. Narol Cross Road, Ahmedabad 382405, Gujarat, India.	57, Ashra Industrial Estate, B/H Mahalaxmi Fabrics, Nr. Narol Cross Road, Ahmedabad 382405, Gujarat, India.	August 25, 2018	To increase Operational Efficiency

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:

To Carry on the business to manufacturer, produce, dye, print, calendar, tailor, cut, size, wash, purify, embroidery, bleach, import, export and otherwise deal in all kinds, types and size of sarees, textiles, cotton, jute, silk, rayon, manmade fabrics, fibres and synthetics, woolen, yarn, threads, garments, rexin cloth, dress materials, suiting and shirtings, furnishing materials and hosiery of all or any type, kind of description and whether natural or manmade, canvas fabrics, quoted and treated with any chemicals or any other preparation, water proof cloth, rubber cloth, imitation cloth, leather cloth, carpets, tailoring materials and dress materials and to process, mercerize, spin, comb, twist, reel, weave, knit, crimp, bleach, wash, print colour, embroidery or otherwise deal in yarn and garments manufactured out of cotton, silk, jute, wool, leather, rubber, synthetic, staple or any other substances, whether natural or manmade.

Amendments to the Memorandum of Association

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

- Change in Name Clause**

Sr. No.	Date of Name Change	Particulars
1.	November 07, 2017	The name of our company has changed from “Kalahridhaan Trendz Private Limited” to “Kalahridhaan Trendz Limited”.

- Change In Object Clause**

Sr. No.	Resolution	Meeting	Particulars
1.	December 05, 2017	Extra Ordinary General Meeting	The company has amended Clause III [A] of Memorandum of Association relating to Main Objects be and is hereby altered by deleting the existing Main Object Clauses set out therein and

			<p>inserting the following new Main Object Clause in substitution therefore:</p> <p>1. To Carry on the business to manufacturer, produce, dye, print, calendar, tailor, cut, size, wash, purify, embroidery, bleach, import, export and otherwise deal in all kinds, types and size of sarees, textiles, cotton, jute, silk, rayon, manmade fabrics, fibres and synthetics, woolen, yarn, threads, garments, rexin cloth, dress materials, suiting and shirtings, furnishing materials and hosiery of all or any type, kind of description and whether natural or manmade, canvas fabrics, quoted and treated with any chemicals or any other preparation, water proof cloth, rubber cloth, imitation cloth, leather cloth, carpets, tailoring materials and dress materials and to process, mercerize, spin, comb, twist, reel, weave, knit, crimp, bleach, wash, print colour, embroidery or otherwise deal in yarn and garments manufactured out of cotton, silk, jute, wool, leather, rubber, synthetic, staple or any other substances, whether natural or manmade</p>
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• **Authorized Capital**

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars
1.	September 08, 2016	Extra Ordinary General Meeting	The authorized share capital of ₹ 1,00,000/- consisting of 10,000 Equity shares of ₹ 10 Each. was increased to ₹90,00,000/- consisting of 9,00,000 Equity shares of ₹10/- Each.
2.	December 05, 2017	Extra Ordinary General Meeting	The authorized share capital of 90,00,000/- consisting of 9,00,000 Equity shares of ₹10/- Each. was increased to ₹5,25,00,000/- consisting of 52,50,000 Equity shares of ₹10/- Each
3.	December 29, 2018	Extra Ordinary General Meeting	The authorized share capital of ₹5,25,00,000/- consisting of 52,50,000 Equity shares of ₹10/- Each. was increased to ₹10,50,00,000/- consisting of 1,05,00,000 Equity shares of ₹10/- Each
4.	June 20, 2023	Extra Ordinary General Meeting	The authorized share capital of ₹10,50,00,000/- consisting of 1,05,00,000 Equity shares of ₹10/- Each. was increased to ₹16,00,00,000/- consisting of 1,60,00,000 Equity shares of ₹10/- Each
5.	August 31, 2023	Extra Ordinary General Meeting	The authorized share capital of ₹ 16,00,00,000/- consisting of 1,60,00,000 Equity shares of ₹10/- each was increased to ₹ 18,00,00,000/- consisting of 1,80,00,000 Equity shares of ₹10/- each.

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

There have been no awards, major event other than ordinary course of business of our Company since incorporation.

Acquisition or divestments of business/undertakings, mergers and amalgamations

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 81 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 or conversion of loans into equity with any financial institutions/banks 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 Subsidiary 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 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

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

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

BOARD OF DIRECTORS

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

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

<p>Father's Name: Dipakbhai Chaudhary Address: L-902, Shyam Hills, Nr Gst Bridge Nr Sun Real Homes, New Ranip, Ahmedabad, Gujarat - 382480 Date of Birth: March 02, 1989 Age: 34 Years Designation: Independent Director Status: Non-Executive Director DIN: 08638911 Occupation: Professional Nationality: Indian Term: Five (5) years w.e.f. April 24, 2023 Original Date of Appointment: April 24, 2023 as a Non-Executive Additional Independent Director</p>	
<p>Name: Ankit Kumar Agrawal Father's Name: Surendrakumar Agrawal Address: 19, Agrasen Society, Mansarover Road, Palanpur, Banaskantha, Gujarat - 385001 Date of Birth: October 16, 1989 Age: 33 Years Designation: Independent Director Status: Non-Executive Director DIN: 10118085 Occupation: Professional Nationality: India Term: Five (5) years w.e.f. July 22, 2023 Original Date of Appointment: July 22, 2023 as Non-Executive Additional Independent Director</p>	-
<p>Name: Drashti Solanki Father's Name: Laxmikant Solanki Address: Plot no. 821/2, Sector 7/C, Gandhinagar- Gujarat 382007 Date of Birth: January 18, 1994 Age: 29 Years Designation: Independent Director Status: Non-Executive Director DIN: 10136197 Occupation: Professional Nationality: India Term: Five (5) years w.e.f. July 22, 2023 Original Date of Appointment: July 22, 2023 as Non-Executive Additional Independent Director</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

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

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

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

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

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

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 Annual General Meeting held on September 25, 2023, 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 ₹ 200.00 Crores.

Brief Profiles of Our Directors

Niranjan Agarwal aged 60 years, is a Promoter and Managing Director of our company. He has been associated with our Company as a director since Inception i.e. May 27, 2016. He is not Matriculate. He has been leading the Strategy and Business Development department of our Company from the year 2016. He is also the Supreme authority in all operational, financial and marketing proposals by the teams. He possesses more than 40 Year of experience in the textile industry. His major roles include administering business strategies to streamline company growth and ensure smooth running of existing operations.

Aditya Agarwal aged 30 years, is a Whole-time director of our company. He has been associated with our Company as a director since Inception i.e. May 27, 2016. He has completed his Bachelor of Technology in Chemical Engineering from Nirma University, Gujarat in the year 2015. He Possessed expertise in Textile chemicals, Manufacturing and designing of products. His responsibilities include acting as a mediator between other Directors and company team heads. He supervises all client interactions and manages the client relations.

Sunitadevi Agarwal aged 56 years, is a Non-Executive Director of our company. She is not Matriculate. Being a Promoter Group, she is always involved in the important discussion related to Company. Because of her cordial relation with the employees of the Organization, she looks after the HR related matters in the Company.

Bharatkumar Chaudhary aged 34 years, is an Independent Director of our Company. He has completed his Bachelor of Commerce from Gujarat University in the year 2010, also Bachelor of Laws from Gujarat University in the year 2017. He has more than 8 years of Experience & Proficient in Corporate Restructuring, Company law, Stock Exchange Compliance, FEMA, Takeover, Intellectual property law. His major role in the company is as an advisor to the Board and assist in bringing an independent judgment to bear on the Board's deliberations and to Scrutinize the performance of management in meeting agreed goal and objectives and monitor the reporting of performance.

Ankit Kumar Agrawal aged 33 years, is an Independent Director of the company. He is an Associated Members of the Institute of Company Secretaries of India since 2016. he has completed his Bachelor of Business Administration from

Hemchandra charya North Gujarat University in the year 2010, Master of Business Administration from Sikkim Manipal University in the year 2013. He has More than Five years of experience in the field of Finance, Legal and corporate secretarial. His major role in the company is as an advisor to the Board and assist in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.

Drashti Solanki aged 29 years, is an Independent Director of the company. She is an Associated Members of the Institute of Company Secretaries of India since 2016. She has completed her Bachelor of Commerce, Master of Commerce (External) and Bachelor of Law from Gujarat University. He has More than Five years of experience in the field of Company Law. She has also served listed companies as an independent director on the board. Her experience of listed companies along with her knowledge of compliance will help our organization for the good compliance.

Compensation of Managing Directors and/or Whole-time Directors

Terms and conditions of employment of our Managing Director:

Niranjan Agarwal has been appointed as Managing Director of our Company in the Board Meeting of the company held on January 10, 2018 and Extraordinary General Meeting Held on January 27, 2018 for a period of Five (5) years commencing from January 10, 2018 and reappointed through resolution passed in the extra ordinary general meeting of the members held on January 10, 2023 for the next term of Five (5) years.

The remuneration payable is as follows:

Name	Niranjan Agarwal
Date of Agreement/Approval	January 10, 2023
Term of appointment	Five (5) years commencing from January 10, 2023
Remuneration	₹ 60,00,000 per Annum
Remuneration paid in FY 2022-23	12,00,000/-

Aditya Agarwal has been appointed as Whole Time Director of our Company in the Board Meeting of the company held on January 10, 2018 and Extraordinary General Meeting Held on January 27, 2018 for a period of Five (5) years commencing from January 10, 2018 and reappointed through resolution passed in the extra ordinary general meeting of the members held on January 10, 2023 for the next term of Five (5) years.

The remuneration payable is as follows:

Name	Aditya Agarwal
Date of Agreement/Approval	January 10, 2023
Term of appointment	Five (5) years commencing from January 10, 2023
Remuneration	₹ 12,00,000 per Annum
Remuneration paid in FY 2022-23	3,00,000/-

Payment or benefit to Independent Directors of our Company

We have not paid any sitting fees to our Independent Directors till the date of this 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.	Niranjan Agarwal	24,47,898	20.08
2.	Aditya Agarwal	73,26,898	60.11
3.	Sunitadevi Agarwal	24,14,034	19.80
Total		1,21,88,830	99.99

Interests of our Directors

Our all 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.

The Non-Executive 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 109 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 81 of this Draft Prospectus and in the chapter “*Restated Financial Statement*” on page 123 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 123, 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 123 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 during the last three (3) years

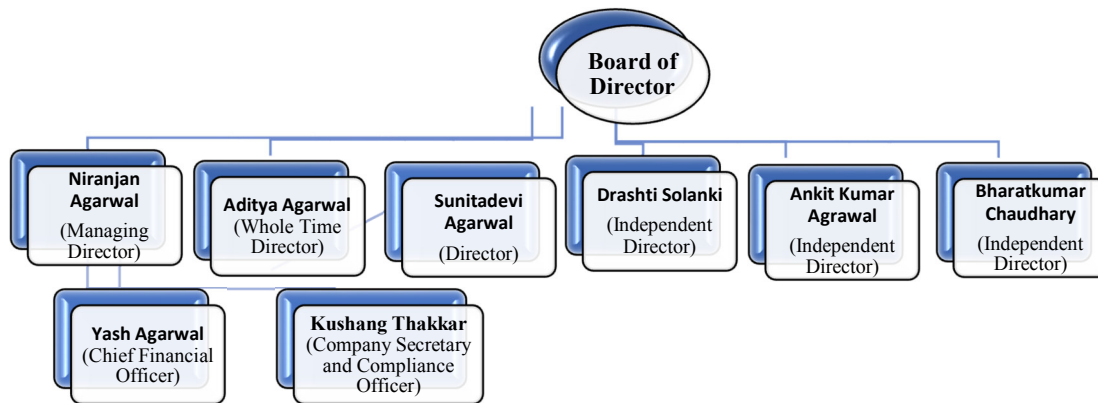
Following are the changes in the Board of Directors during the last three (3) years

Name of Directors	Date of Appointment / Regularization	Nature of change	Date of Change in Designation / Cessation	Reasons for changes in the Board
Drashti Solanki	September 25, 2023	Regularization	-	Regularized as Director
Ankit Kumar Agrawal	September 25, 2023	Regularization	-	Regularized as Director
Bharatkumar Chaudhary	September 25, 2023	Regularization	-	Regularized as Director
Sunitadevi Agarwal	September 25, 2023	Regularization	-	Regularized as Director
Drashti Solanki	July 22, 2023	Appointment	-	Appointed as an Additional Independent Director
Ankit Kumar Agrawal	July 22, 2023	Appointment	-	Appointed as an Additional Independent Director

Name of Directors	Date of Appointment / Regularization	Nature of change	Date of Change in Designation / Cessation	Reasons for changes in the Board
Bharatkumar Chaudhary	April 24, 2023	Appointment	-	Appointed as an Additional Independent Director
Sunitadevi Agarwal	January 01, 2023	Appointment	-	Appointed as an Additional Director
Niranjan Agarwal	January 10, 2023	Re-Appointment	-	Re-Appointed as a Managing Director for a Second Term of 5 Years
Aditya Agarwal	January 10, 2023	Re-Appointment	-	Re-Appointed as a Wholetime Director for a Second Term of 5 Years
Amit Kumar Sarawagi	-	Cessation	April 15, 2023	Resigned as Director
Amit Kumar Sarawagi	September 30, 2022	Regularization	-	Regularized as Director
Amit Kumar Sarawagi	March 03, 2022	Appointment	-	Appointed as an Additional Director
Rishik Rajesh Agarwal	-	Cessation	July 21, 2022	Resigned as Director
Rishik Rajesh Agarwal	December 30, 2020	Regularization	-	
Rishik Rajesh Agarwal	July 15, 2020	Appointment	-	Appointed as an Additional Director
Sunil Madhusudan Maniyar	January 25, 2018	Cessation	July 15, 2020	Resigned as 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 September 01, 2023 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and in view of the compliance of the Corporate Governance Provisions, and proposed applicable provisions of the SEBI (LODR) Regulation, 2015. The Audit Committee comprises following members.

Name	Designation	Status in Committee
Bharatkumar Chaudhary	Independent Director	Chairman
Ankitkumar Agarwal	Independent Director	Member
Sunitadevi Agarwal	Non-Executive Director	Member

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 listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, Re- appointment, replacement, removal, Fixing the remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;

15. 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;
16. 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;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the 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. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and in view of the compliance of the Corporate Governance Provisions, and proposed applicable provisions of the SEBI (LODR) Regulation, 2015 vide board resolution dated September 01, 2023. The Nomination and Remuneration Committee comprises the following members:

Name	Designation	Status in Committee
Bharatkumar Chaudhary	Independent Director	Chairman
Ankitkumar Agarwal	Independent Director	Member
Sunitadevi Agarwal	Non-Executive Director	Member

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Nomination and Remuneration 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 of directors 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:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- formulation of criteria for evaluation of performance 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.

3. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and in view of the compliance of the Corporate Governance Provisions, and proposed applicable provisions of the SEBI (LODR) Regulation, 2015 vide board resolution dated September 01, 2023. The Nomination and Remuneration Committee comprises the following members:

Name	Designation	Status in Committee
Sunitadevi Agarwal	Non-Executive Director	Chairman
Ankitkumar Agarwal	Independent Director	Member
Niranjan Agarwal	Managing Director	Member

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

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

The 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; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
- Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee 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

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

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

Name, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience	Remuneration paid in previous year (2022-23) (₹ in Lakhs)
Kushang Thakkar Company Secretary and Compliance Officer D.O.J - April 24, 2023	B. Com from Gujarat University, Company Secretary From ICSI	Sabar Flex India Limited	9 Years	-

Yash Agarwal Chief Financial Officer D.O.J – August 31, 2023	B.B.A from Gujarat University, and M.B.A. From IIM, Ahmedabad	Odles E-Commerce Private Limited	-	-
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Relationship amongst the Key Managerial Personnel of our Company

None of our 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 Niranjan Agarwal, Managing Director and Aditya Agarwal, Whole Time Director 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 47 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
Yash Agarwal	Chief Financial Officer	August 31, 2023	Appointed as Chief Financial Officer
Niranjan Agarwal	Chief Financial Officer	August 31, 2023	Resigned From the post of Chief Financial Officer.
Niranjan Agarwal	Chief Financial Officer	June 15, 2023	Appointed as Chief Financial Officer
Kushang Thakkar	Company Secretary and Compliance Officer	June 15, 2023	Appointed as Company Secretary and Compliance Officer

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

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 123 of this Draft Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

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

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

Confirmations

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

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

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

Other ventures of Promoters

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

Change in the management and control of the Issuer

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

Relationship of Promoters with our directors

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

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

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

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

Interest of Promoters

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

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

Interest in the properties of our Company

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

Interest as members of our Company

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled "*Capital Structure*" beginning on page 47 of this Draft Prospectus.

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

Other Interest

Our Promoters are not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Payment of benefits to our Promoters

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

Guarantees

Except as stated in the section titled "*Restated Financial Statements*" beginning on page 123 of this Draft Prospectus, respectively, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

Details of Companies / Firms from which our Promoters have disassociated

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

Our Promoter Group

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

A. Individual persons who are part of our Promoter Group

Promoters: Niranjan Agarwal and Aditya Agarwal

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

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

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

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

DIVIDEND POLICY

As on the date of this 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 “Financial Indebtedness” on page 152. 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

INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION

**To,
The Board of Directors,
Kalahridhaan Trendz Limited
47, Ashra Industrial Estate
Near Narol Cross Road
Ahmedabad Gujarat-382405**

Dear Sirs,

1. We have examined the attached Restated Financial Statements of Kalahridhaan Trendz Limited (hereinafter referred to as “the Company”), comprising, the Restated Statement of Assets and Liabilities as at March 31, 2023, 2022, 2021 and 2020, the Restated Statements of Profit and Loss and the Restated Cash Flow Statement for the years ended at March 31, 2023, 2022, 2021 and 2020, the Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on September 05, 2023, for the purpose of inclusion in the Draft Prospectus/ Prospectus (“Draft Prospectus/Prospectus”) prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
 - c) The Guidance Note on Reports in Company Prospectus++ (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Ahmedabad in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.
3. We, S. N. Shah & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and holds the peer review certificate dated 29.10.2021 valid till 31.10.2024.
4. We have examined such Restated 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 May 16, 2023 in connection with the proposed IPO of the Company;
 - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Group for the year ended, 31st January 2023, 31st March 2022, 31st March 2021 and 31st March 2020 which has been approved by the Board of Directors.
6. For the purpose of our examination, we have relied on:
 - a) Auditor's report issued by Company's previous auditors, Bharat H. Shah & Co, Chartered Accountants dated December 28, 2020, on the financial statements of company for F.Y. 2019-20 and Anuj H Agarwal & Associates, Chartered Accountants dated November 26, 2021, September 01, 2022 and Aug 23, 2023 on the financial statements of the Company for F.Y. 2020-21, 2021-22 and 2022-23 respectively and accordingly reliance has been placed on financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them.
7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit report submitted by the Previous Auditors for the respective year, we report that the Restated Financial Information have been made after incorporating:
 - a) Adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2023, March 31, 2022, March 31, 2021 and March 31, 2020 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the period ended March 31, 2023;
 - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments;
 - d) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2023, 2022, 2021 and 2020 which would require adjustments in this Restated Financial Statements of the Company.
 - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV to this report.
 - f) There are no revaluation reserves, which needed to be disclosed separately in the Restated Financial Statements in the respective financial years.
8. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure V, prepared by the management and approved by the Board of Directors for the year ended on March 31, 2023, 2022, 2021 and 2020.

Annexure V - Notes to the Restated Financial Information:

- a) Restated Statement of Share Capital, as appearing in Note A to this report;
- b) Restated Statement of Reserves & Surplus, as appearing in Note B to this report;
- c) Restated Statement of Long Term Borrowings as appearing in Note C to this report;
- d) Restated Statement of Deferred Tax (Assets) / Liabilities as appearing in Note D to this report;
- e) Restated Statement of Other Long Term Liabilities as appearing in Note E to this Report;
- f) Restated Statement of Short term borrowings as appearing in Note F to this report;
- g) Restated Statement of Trade Payables as appearing in Note G to this report;
- h) Restated Statement of Other Current Liabilities as appearing in Note H to this report;
- i) Restated Statement of Short Term Provisions as appearing in Note I to this report;
- j) Restated Statement of Property, Plant & Equipment and Intangible Assets as appearing in Note J to this report;
- k) Restated Statement of Non-Current Investments as appearing in Note K to this report;
- l) Restated Statement of Inventories as appearing in Note L to this report;
- m) Restated Statement of Trade Receivables as appearing in Note M to this report;
- n) Restated Statement of Cash and Cash Equivalents as appearing in Note N to this report;
- o) Restated Statement of Short term Loans and Advances as restated as appearing in Note O to this report;
- p) Restated Statement of Other Current Assets as appearing in Note P to this report;

- q) Restated Statement of Revenue from Operations as appearing in Note Q to this report;
 - r) Restated Statement of Other Income as appearing in Note Q to this report;
 - s) Restated Statement of Cost of Material Consumed as appearing in Note R to this report;
 - t) Restated Statement of Manufacturing Expenses as appearing in Note S to this report;
 - u) Restated Statement of Change in Inventories as appearing in Note T to this report;
 - v) Restated Statement of Employee Benefit Expenses as appearing in Note U to this report;
 - w) Restated Statement of Finance Cost as appearing in Note V to this report;
 - x) Restated Statement of Depreciation and amortisation expense as appearing in Note W to this report;
 - y) Restated Statement of Other Expenses as appearing in Note X to this report;
 - z) Restated Statement of Tax Shelter as appearing in Note Y to this report;
 - aa) Restated Statement of Deferred Tax Expenses as appearing in Note Z to this report;
 - bb) Restated Statement of Mandatory Accounting Ratios as appearing in Note AA to this report;
 - cc) Ratio Analysis as appearing in note AA (1) to this report.
 - dd) Restated Statement of Related Party Transactions as appearing in Note AB to this report ;
 - ee) Capitalization Statement as appearing in Note AC to this report;
9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. In our opinion, the above financial information contained in Annexure I to V of this report read with the respective Significant Accounting Policies and Notes to Restated Financial Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, SEBI ICDR Regulations and Guidance Note.
12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

SD/-
CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: September 05, 2023
UDIN: 23144892BGQOBN8820

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

Sr. No.	Particulars	Notes	As at March 31,		
			2023	2022	2021
	EQUITY AND LIABILITIES				
1)	<u>Shareholders' Funds</u>				
	a. Share Capital	A	609.45	609.45	609.45
	b. Reserves & Surplus	B	1202.78	536.77	290.56
2)	<u>Non-Current Liabilities</u>				
	a. Long Term Borrowings	C	2401.72	1632.00	1256.84
	c. Deferred Tax Liability	D	2.06	-	-
	b. Long Term Provisions	E	4.37	3.84	2.67
3)	<u>Current Liabilities</u>				
	a. Short Term Borrowings	F	3,703.61	3,617.90	1,888.72
	b. Trade Payables	G	2,790.96	3,803.66	1,852.40
	c. Other Current Liabilities	H	32.30	24.65	28.42
	d. Short Term Provisions	I	215.29	69.67	50.28
	TOTAL		10,962.55	10,297.94	5,979.36
	ASSETS				
1)	<u>Non-Current Assets</u>				
	a. Property, Plant & Equipment and Intangible Assets				
	i. Property, Plant and Equipment	J	466.34	240.46	207.94
	ii. Less: Accumulated Depreciation		165.24	141.86	122.80
	Net Block		301.09	98.60	85.14
	b. Deferred Tax Assets (Net)	D	-	3.96	3.64
	c. Non-current Investments	K	65.25	30.05	0.05
2)	<u>Current Assets</u>				
	a. Inventories	L	4,784.40	5,223.49	3,603.40
	b. Trade Receivables	M	5,463.26	4,801.05	2,087.52
	c. Cash and Cash Equivalents	N	206.00	7.69	10.77
	d. Short Term Loans & Advances	O	142.54	133.09	187.95
	e. Other Current Assets	P	-	-	0.87
	TOTAL		10962.55	10,297.94	5,979.36

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Kalahridhaan Trendz Limited

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: September 05, 2023
UDIN: 23144892BGQOBN8820

Sd/-
Niranjan D Agarwal
(Din: 00413530)
Chairman & Managing Director

Sd/-
Aditya N Agarwal
(Din: 07511136)
Whole Time Director

Sd/-
Kushang Surendrakumar Thakkar
Company Secretary & Compliance officer

Sd/-
Yash Naresh Agarwal
Chief Financial Officer

ANNEXURE – II
RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lacs)

Sr. No.	Particulars	NOTES	For the year ended March 31,		
			2023	2022	2021
A	INCOME				
	Revenue from Operations	Q	18,416.85	18,390.14	13,235.91
	Other Income		0.16	0.32	-
	Total Income (A)		18,417.01	18,390.46	13,235.91
B	EXPENDITURE				
	Cost of Material Consumed	R	15,336.66	18,626.39	11,405.47
	Manufacturing Expenses	S	1,064.28	1,025.81	2,031.85
	Change in Inventories	T	511.97	-2,060.73	-718.60
	Employee benefit expenses	U	76.14	46.23	24.15
	Finance costs	V	463.40	312.97	239.03
	Depreciation and amortisation expense	W	23.38	19.06	18.80
	Administrative Selling & Other Expenses	X	51.21	90.78	82.06
	Total Expenses (B)		17,527.05	18,060.51	13,082.75
C	Profit before exceptional, extraordinary items and tax		889.97	329.95	153.16
	Exceptional items				
D	Profit before extraordinary items and tax		889.97	329.95	153.16
	Extraordinary Expenses				
E	Profit before tax				
	<i>Tax expense :</i>				
	(i) Current tax	Y	217.93	84.07	42.62
	(ii) Deferred tax	Z	6.03	-0.32	-
F	Total Tax Expense		223.96	83.75	42.62
G	Profit after tax (E-F)		666.01	246.20	110.54

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Kalahridhaan Trendz Limited

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: September 05, 2023
UDIN: 23144892BGQOBN8820

Sd/-
Niranjan D Agarwal
(Din: 00413530)
Chairman & Managing Director

Sd/-
Kushang Surendrakumar Thakkar
Company Secretary & Compliance officer

Sd/-
Aditya N Agarwal
(Din: 07511136)
Whole Time Director

Sd/-
Yash Naresh Agarwal
Chief Financial Officer

ANNEXURE III
RESTATED STATEMENT OF CASH FLOWS

(Rs. in Lacs)

Particulars	31 st March 2023	31 st March, 2022	31 st March, 2021
Cash flow from operating activities:			
Net Profit before tax as per Profit And Loss A/c	890.50	330.81	162.98
Adjusted for:		-	-
Depreciation & Amortisation	23.38	19.06	18.80
Interest & Finance Cost	463.40	312.97	230.21
Deffered Tax Assets	-6.03	0.37	0.40
Interest on FDR	0.16	0.32	-
Operating Profit Before Working Capital Changes	1,371.42	663.52	412.39
Adjusted for (Increase)/ Decrease:			
Inventories	439.09	-1,620.08	-1,253.93
Trade Receivables	-662.21	-2,713.53	2,082.11
Loans and advances and other assets	-11.47	56.75	-60.10
Trade Payables	-1,012.69	1,951.25	-1,444.73
Change in Other Current Assets	-	-	-
Short Term Borrowings	85.71	1,729.18	-95.67
Short Term Provision	138.21	29.87	-13.22
Liabilities & Provision	7.65	-3.77	-109.33
Cash Generated From Operations	155.54	93.19	-482.49
Direct Tax Paid	-223.65	-81.45	-57.34
Net Cash Flow from/(used in) Operating Activities: (A)	-68.11	11.74	-539.83
Cash Flow From Investing Activities:			
Purchase of Fixed Assets	-225.88	-32.52	-0.57
Sale of Fixed Assets	-	-	-
Long Term Loan and Advance Given	15.00	-15.00	-
Increase in Non-Current Assets	-35.20	-29.13	-
Net Cash Flow from/(used in) Investing Activities: (B)	-246.08	-76.64	-0.57
Cash Flow from Financing Activities:			
Proceeds From Share Capital & Share Premium	-	-	-
Proceeds / (Repayment) from Long Term Borrowing (Net)	769.72	375.16	761.10
Increase in Deferred Tax Asset	6.03	-0.37	-0.40
Interest & Finance Cost	-463.40	-312.97	-230.21
Net Cash Flow from/(used in) Financing Activities (C)	312.34	61.82	530.49
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	198.31	-3.08	-9.92
Cash & Cash Equivalents As At Beginning of the Year	7.69	10.77	20.69
Cash & Cash Equivalents As At End of the Year	206.00	7.69	10.77

- Statement of cash flow has been prepared under the indirect method as set out in AS-3 on statement of cash flows specified under Sec-133 of Companies Act, 2013 read with Companies (Accounts) Rules, 2014.
- Reconciliation of Cash & Cash Equivalents as per the statement of cash flow.

Balances with Banks	31 st March, 2023	31 st March, 2022	31 st March, 2021
---------------------	------------------------------	------------------------------	------------------------------

- Current Account	0.21	-	-
- Fixed Deposits in Bank	-	-	-
Cash on hand	5.64	7.68	10.77
FD With Banks	200.16	-	-
Cash and Cash Equivalents at the End of the Period	206.00	7.68	10.77

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Kalahridhaan Trendz Limited

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: September 05, 2023
UDIN: 23144892BGQOBN8820

Sd/-
Niranjana D Agarwal
(Din: 00413530)
Chairman & Managing Director

Sd/-
Kushang Surendrakumar Thakkar
Company Secretary & Compliance officer

Sd/-
Aditya N Agarwal
(Din: 07511136)
Whole Time Director

Sd/-
Yash Naresh Agarwal
Chief Financial Officer

ANNEXURE – IV

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO RESTATED FINANCIAL INFORMATION:

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Corporate information:

Kalahridhaan Trendz Limited was incorporated as a private limited under the provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated May 27, 2016 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Thereafter, the Company was converted from private limited to public limited vide fresh certificate of incorporation dated November 27, 2017 issued by the Registrar of Companies, Ahmedabad, Gujarat. The Company is involved in the business of dyeing and processing of textile products.

2. Basis of preparation of Financial Statements:

The restated Financial information of the Company comprises the Restated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Statement of Profits and Loss and cash flows for the period ended on March 31, 2023, March 31, 2022, March 31, 2021 and March 31, 2020 and the statement of significantly accounting policies and explanatory notes (herein collectively referred to as ('Restated Financial Information')).

These Restated Financial Information have been compiled by the management from the audited financial statements of the Company for the year ended on March 31, 2023, 2022, 2021 and 2020, approved by the Board of Directors of the Company. Restated Statements have been prepared to comply in all material respects with the provisions of Section 26 of Part I of Chapter III of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised) issued by ICAI. The Restated Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the relevant stock exchange in connection with its proposed Initial Public Offering of equity shares.

These Restated Financial Information are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act.

3. Accounting Conventions:

The Financial Statements of the Company are prepared under the historical cost convention on accrual basis of accounting and in accordance with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and generally accepted accounting principles in India. The accounting policies not referred to otherwise have been consistently applied by the Company during the year.

4. Use of estimates:

The preparation of financial statements in accordance with the GAAP requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities, classification of assets and liabilities into non-current and current and disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period. Although the financial statements have been prepared based on the management's best knowledge of current events and procedures/actions, the actual results may differ on the final outcome of the matter/transaction to which the estimates relates.

5. Plant, Plant and Equipment's:

Tangible Assets are stated at cost of acquisition/construction (less Accumulated Depreciation, if any). The cost of Property, Plant, and Equipment comprises of their purchase price, including freight, duties, taxes or levies and directly attributable cost of bringing the assets to their working conditions for their intended use. Subsequent expenditures on Fixed Assets have been capitalized only if such expenditures increase the future benefits from the existing assets beyond their previously assessed standard of performance.

There is No Intangible asset as defined under As 26 "Intangible Assets".

6. Depreciation:

Depreciation of Plant, Plant and Equipment's is provided on original cost of the asset on written down value method and in the manner prescribed in Schedule II of the Companies Act, 2013. Accordingly the unamortized carrying value is being depreciated over remaining useful life by Written down value method.

7. Inventories:

Raw materials, Stores & Spares, Loose Tools are valued at Cost or Net Realizable Value, whichever is lower. Finished goods are valued at Cost or Net Realizable Value, whichever is lower. Work-in-progress is valued at lower of estimated cost and Net Realizable Value. Cost is determined as per FIFO method of accounting.

8. Revenue Recognition:

All income and expenses are accounted on accrual basis. The revenue in respect of service contract is recognized based on order/contract with the parties.

9. Foreign Currency Transactions:

The transactions in foreign currency have been recorded using the rate of exchange prevailing on the date of transactions. The difference arising on the settlement/restatement of the foreign currency denominated Current Assets/Current Liabilities into Indian rupees has been recognized as expenses/income (net) of the year and carried to the statement of profit and loss.

10. Borrowing Costs:

Borrowing cost attributable to acquisition of qualifying assets for the period such asset is put to its commercial use, is capitalized as part of the cost of such assets. A qualifying asset is one that takes substantial period of time to get ready for intended use. All other borrowing costs are charged to profit and loss account.

11. Employee Benefits:

a) Short Term Employee Benefits

Short-term employee benefits are recognized as expense in the Statement of Profit & Loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues.

b) Defined Contribution Plan:

The company is covered under employee's provident fund and miscellaneous provision Act, 1952 which are defined contribution schemes, liability in respect thereof is determined on the basis of the basis of contribution required to be made under the statues/Rules. Company's contribution to provident fund is charged to Profit & loss Account.

c) Defined Benefit Plan:

Kalahridhaan Trendz Limited Provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the payment of gratuity Act, 1972 the gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's Salary and the tenure of employment. Liabilities with regard to the gratuity plan are determined by Management Certification as of the balance sheet date, Based upon which, the company contributes all the ascertained liabilities to fund. Trustees administer contributions made to the trust and contributions are invested in specific investment as permitted by Law.

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(Rs. In Lakhs)			
Particulars	2022-23	2021-22	2020-21
Provision for Gratuity (Current & Non-Current)	4.37	3.84	2.67

(Rs. in lakhs)			
Details of Gratuity Expenses	2022-23	2021-22	2020-21
Reconciliation of net defined benefit liability			
Net opening provision in books of accounts	3.84	2.67	1.68
Employee Benefit Expense	0.53	1.17	0.99
Contributions to plan assets	0.00	0.00	0.00
Closing net defined benefit liability	4.37	3.84	2.67
Principle actuarial assumptions			
Discount Rate	7.52%	7.23%	6.82%
Salary Escalation Rate	6.00%	6.00%	6.00%

Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Expected Return on Plan Assets	Not Available	Not Available	Not Available

12. Taxes on Income:

Taxes on income comprises of current tax and deferred tax. Taxes on income have been determined based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income taxes are determined for future consequences attributable to timing differences between financial determination of income and income chargeable to tax as per the provisions of Income Tax Act, 1961. Deferred tax liability has been worked out using the tax rate and tax laws that were in force as on the date of balance sheet and has not been discounted to its present value after giving effects of carried forward balances of unabsorbed depreciation, unabsorbed business losses as per the Income Tax Act, 1961 and other timing differences as at the Balance Sheet date.

13. Impairment of Assets:

As at each balance sheet date, the carrying values of assets are reviewed for impairment if any indication of impairment exists.

14. Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of the Company's resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure of contingent liabilities is made when there is a possible obligation that may, but probably will not, require an outflow of resources. As a measure of prudence, the contingent assets are not recognized.

15. Cash and Cash Equivalents-For the Purpose of Cash Flow Statements:

For the purpose of Cash Flow Statements, cash and cash equivalents include Cash on Hand and Balances with Banks in the Current Account as well as Fixed Deposits account.

16. Operating Cycle:

Based on the activities of the company and normal time between incurring of liabilities and their settlement in cash or cash equivalents and acquisition/right to assets and their realization in cash or cash equivalents, the company has considered its operating cycle as 12 months for the purpose of classification of its liabilities and assets as current and non-current.

17. Earnings Per Share:

The earnings per share as per AS-20 "Earning Per Share" has been computed on the basis of net profit after tax divided by the weighted average number of shares outstanding during the year.

B. NOTES TO ACCOUNTS ON RESTATED FINANCIAL STATEMENTS:

1. Reconciliation of Restated Profits:

The summary of the material adjustments made to audited financial statements of the respective years and their impact on the restated statement of profit and loss have been given as under:

Particulars	(Rs. In lakhs)		
	For the Year ended March, 31 2023	For the Year ended March, 31 2022	For the Year ended March, 31 2021
I. Net profit/(Loss) after Tax as per Audited Profit & Loss Account	660.66	250.03	106.04
II. Adjustments for:			
Tax Provision	5.72	(4.07)	7.38
Interest on Income Tax related to Previous Year.	-	1.45	7.34
Interest on TDS & Income Tax	-	-	(8.83)
Deferred Tax	0.16	(0.04)	(0.40)
Provision for Gratuity	-0.52	(1.17)	(1.00)
III. Net Profit/ (Loss) After Tax as Restated	666.02	246.20	110.54

Notes:

1. The company had policy not to consider section 43B payments as per Income tax Act, 1961 as being not material for computing the deferred taxes. The deferred tax liabilities/(assets) were hitherto rounded to the nearest thousand rupees. The adjustments to the deferred tax liabilities/(assets) represent effect of change in the depreciation as per Restated Financial Statements, change in unabsorbed losses, consideration of section 43B payments for computing deferred tax and non-rounding of deferred tax liabilities/(assets) to the nearest thousand rupees.
2. **Provision for Taxation**-We have reworked Income Tax Liability for all the periods considering effects of the above restatements and the same has been provided in the Restated Financial Statements. (See Annexure – Statement of Tax Shelters for reference of Income Tax Liability)
3. **Adjustment for Deferred Tax**-We have reworked Income Tax Liability for all the periods considering effects of the prior period expenses and the same has been provided in the Restated Financial Statements.
4. Provision for Gratuity has been worked out for all the periods on the basis of Actuarial Certification and effects of the same has been provided in the Restated Financial Statements.

RECONCILIATION OF EQUITY AND RESERVES:**(Rs. In lakhs)**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
I. Reserve & Surplus as per audited Balance Sheet	1,301.29	640.62	390.59
II. Adjustments for:			
Opening adjustment as per restated reserves	-0.86	2.97	-1.52
Tax Provision	5.71	-2.62	14.72
Interest on TDS & Income Tax	-	-	-8.83
Deferred Tax	0.15	-0.04	-0.40
Provision for Gratuity	-0.52	-1.17	-1.00
Provision for Tax related to earlier years	-	-	-
Provision for Gratuity for earlier years	-	-	-
III. Reserve & Surplus as per Restated Balance Sheet	1,305.77	639.76	393.56

2. Material regroupings:

Appropriate adjustments have been made in the restated summary Statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the period ended 31 March 2023, prepared in accordance with Revised schedule III to the Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

3. Managerial Remuneration:**(Rs. In lakhs)**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Aditya N Agrawal	-	1.50	1.50
Niranjan Agrawal	12.00	1.50	1.50
TOTAL	12.00	3.00	3.00

4. Auditors Remuneration as reported by the auditor include:**(Rs. In Lakhs)**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
For Statutory Audit	1.00	1.00	1.00
TOTAL	1.00	1.00	1.00

5. The company has initiated the process of obtaining confirmations from the suppliers as to their status as Micro, Small or Medium Enterprise registered under the applicable category as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006). However, the company is yet to receive confirmations from suppliers as to their as Micro, Small and Medium Enterprises and hence interest due to them if any as per the provision of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006) could not be determined or provided.

6. OTHERS

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note AB of the enclosed restated financial statements.

Figures have been rearranged and regrouped wherever practicable and considered necessary.

The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good.

Realizations - In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

Contractual liabilities - All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements

There have been no audit qualifications/observations in Statutory Auditor's Report for F.Y.2021-22, 2020-21 and 2019-2020 which requires adjustments in restated financial statements.

Amounts in the financial statements - Amounts in the financial statements are rounded off to nearest Indian Rupees in lakhs. Figures in brackets indicate negative values.

For S. N. Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Kalahridhaan Trendz Limited

CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: September 05, 2023
UDIN: 23144892BGQOBN8820

Sd/-
Niranjan D Agarwal
(Din: 00413530)
Chairman & Managing Director

Sd/-
Aditya N Agarwal
(Din: 07511136)
Whole Time Director

Sd/-
Kushang Surendrakumar Thakkar
Company Secretary & Compliance officer

Sd/-
Yash Naresh Agarwal
Chief Financial Officer

ANNEXURE V - NOTES TO THE RESTATED FINANCIAL INFORMATION

NOTE A - DETAILS OF SHARE CAPITAL AS RESTATED

(Rs. in Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
EQUITY SHARE CAPITAL :			
AUTHORISED:			
10500000 Equity Shares of Rs.10/- each	1050.00	1050.00	1050.00
	1050.00	1050.00	1050.00
ISSUED, SUBSCRIBED AND PAID UP			
6094500 Equity Shares of Rs. 10 each	609.45	609.45	609.45
	609.45	609.45	609.45

Reconciliation of number of shares outstanding at the end of the year:

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity Shares at the beginning of the year	6094500	6094500	6094500
Add: New Shares Issued during the year	-	-	-
Add: Bonus Shares issued during the year	-	-	-
TOTAL	6094500	6094500	6094500

Details of Shareholders holding more than 5% of the aggregate shares of the company:

Name of Shareholders	As at March 31,2023		As at March 31,2022		As at March 31,2021	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Niranjan D Agrawal	36,63,449	60.11%	36,63,449	60.11%	36,63,449	60.11%
Sunitadevi N Agrawal	12,07,017	19.81%	12,07,017	19.81%	12,07,017	19.81%
Aditya N Agrawal	12,23,949	20.08%	12,23,949	20.08%	12,23,949	20.08%

NOTE B - DETAILS OF RESERVES AND SURPLUS AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Securities Premium Reserve			
Opening Balance	21.55	21.55	21.55
Add: Proceed Received during the year			
Less: Bonus Shares issued during the year			
Closing Balance	124.55	124.55	124.55
Profit & Loss a/c			
Opening Balance	515.22	269.01	158.47
Add: Profit for the year	666.01	246.20	110.54
(Less): Provision for Gratuity for earlier years	-	-	-
(Less): Provision for Taxes for earlier years/Current Years.	-	-	-
Closing Balance	1181.23	515.22	269.01
Total	1202.78	536.77	290.56

NOTE C - DETAILS OF LONG-TERM BORROWINGS AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Secured Loans			

-Term Loans			
-From Banks			
Term Loan from Bank	222.23	362.10	292.56
Car Loan	12.68	14.67	-
Unsecured Loans			
Intercompany Loan	438.76	217.22	-
Loan from Director and Relatives	1625.57	1023.72	962.85
From Banks	49.10	-	-
From NBFC	53.38	14.29	1.43
Total	2401.72	1632.00	1256.84

SECURITIES

* Hypothecation against Vehicles

Term Loans are secured by

Term of Repayment

Securities

1. Karnataka Bank
a. By creating Equitable Mortgage of commercial Land measuring 2000 Sq. Meters and Building Constructed thereon situated at old Khasara No. 1771/1/1 and New Khasara No. 5191/5049 at village Khatushyam, Tehsil Dataramgarh, Sikar District standing in the Name of Mr. Niranjana Agrawal.
b. Residential Bungalow measuring 339 Sq. yards situated at Survey No. 582/A, 582/B, Sub Plot No. 12A at Mouje Village, Aman Bungalow, Opposite BSNL office near Vasant Bahar, Bopal, Ahmedabad standing in the name of Mrs. Sunitadevi Niranjana Agrawal. As per VR dated 24.09.2021 Mr. Bakul N Desai (Land ₹ 2.37 Cr+ Building ₹ 0.71 Cr) Cersai Search REI NO: 9363041507531
c. Open Agricultural Land measuring 36956 Sq Meters (44199.37 Sq. Yards) situated at survey no 1128/1/A, Khata No, 8958, Next to Canal, Next to Petrol Pump, Dadusar Road Opp Dholka- Bagodara Highway, Dholka Ahmedabad standing in the name of Mr Niranjana Agrawal. As per VR Dated 24.09.2021 by Mr. Bakul N Desai (Land ₹ 22.58 Cr). Cersai Search REF NO: 3930530558891
d. Fixed Deposits 4 Cr
e. Residential Tenement measuring 110 Sq Yards (91.97 Sq. Meters) Situated at Tenement No. 4, Final Plot No. 27/A, Hissa No. 22 TPS No 4, Mouje Villa, Shreenath Colony Co.op House Society Ltd. opposite the Best High School, Bhairavnath Mandir, Maninagar Ahmedabad Standing in the name of Mrs. Sunitadevi Niranjana Agrawal. As per VR dated 24.09.2021 by Mr. Bakul N Desai (Land ₹ 0.99 Cr. + Building ₹ 0.40Cr) Cersai Asset ID: 200007442568
2. Entire Term Loan from Karnataka Bank is Secured by Personal Guarantees of the following persons.
a. Shri Niranjana D Agrawal
b. Shri Aditya Niranjana Agrawal
c. Smt. Sunitadevi Niranjana Agrawal

TERMS OF REPAYMENT FOR LONG TERM BORROWINGS:

Name of Loans	TENURE OF LOAN	Terms of Repayment
HDFC Bank Business Loan	36 monthly instalments started from 06-03-2023	Instalment of Rs.1,73,960/-
Unity Small Finance Bank Limited	36 monthly instalment started from 04-04-2023	Instalment of Rs.72,808/-
Bajaj Finance (Personal and Small Business Loan)	36 monthly instalment started from 02-07-2021	Instalment of Rs.1,05,682/-
Mahindra and Mahindra Financial Service Limited (Retail Enterprise Fixed Unsecured Loan)	36 monthly instalment started from 10-03-2023	Instalment of Rs.92,552/-

NOTE D - DETAILS OF DEFERRED TAX ASSET/ (LIABILITY) AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Deferred Tax (Liability)/Asset			

Opening Balance	-3.96	-3.64	-3.64
Addition	6.03	-0.32	0.00
Deferred Tax Asset/(Liability) (net) after adjustments	2.06	-3.96	-3.64

NOTE E- DETAILS OF LONG TERM PROVISIONS AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Provision for Gratuity	4.37	3.84	2.67
TOTAL	4.37	3.84	2.67

NOTE F - DETAILS OF SHORT TERM BORROWING AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Secured			
Current maturity of long term debt			
-From Banks	3,496.37	3,469.89	1,671.23
Current Maturities of Long Term Debt	207.24	148.01	217.50
TOTAL	3,703.61	3,617.90	1,888.72

NOTE G - DETAILS OF TRADE PAYABLES AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Sundry Creditors for Goods (Unsecured, Considered as Good)	2714.18	3,776.68	1,840.68
Sundry Creditord for Expenses	76.78	26.98	11.72
TOTAL	2790.96	3,803.66	1,852.40

Trade Payable Ageing schedule

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Undisputed dues			
a) Micro, small and medium Enterprise			
Less than 1 year			
1 To 2 Year			
2 to 3 Year			
More than 3 Year			
b) Others			
Not Due	-	2,657.48	1,266.19
Less than 1 Year	2790.96	1,146.18	586.21
1 to 2 year			
2 to 3 year			
More than 3 year			
TOTAL	2790.96	3,803.66	1,852.40

Note - The Company has not received any information from its suppliers regarding their status as MSME, thus all the creditors has been classified as others.

NOTE H - DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021

Statutory Dues Payable	32.30	9.34	28.42
Advance from Debtors	-	15.31	-
TOTAL	32.30	24.65	28.42

NOTE I - DETAILS OF SHORT TERM PROVISIONS AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Employee Benefits Payable	4.25	3.06	3.60
Provision for Interest	7.47	0.45	-
Provision for Electricity Expense	1.54	1.55	1.58
Provision for Audit fees	1.00	1.00	1.00
Provision for Income Tax	201.03	63.61	44.10
Provision for Expense	-	-	-
TOTAL	215.29	69.67	50.28

NOTE J - DETAILS OF PROPERTY, PLANT & EQUIPMENT AS RESTATED

(Rs. in lakhs)

Property, Plant & Equipment	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 01.04.2020	Additions	Deductions	As At 31.03.2021	Upto 01.04.2020	For The Year	Deductions / Adj.	Upto 31.03.2021	As At 31.03.2021	As At 31.03.2020
Tangible Assets										
Plant & Machinery	206.79	-	-	206.79	103.56	18.68		122.24	84.55	103.23
Furniture & Fixtures	-	0.57	-	0.57	-	0.03		0.03	0.54	-
Computer/Laptop/Softwares	0.59			0.59	0.45	0.09		0.53	0.05	0.14
Grand Total	207.37	0.57	-	207.94	104.00	18.80		122.80	85.14	103.37
Previous Year	249.21	0.53	42.36	207.37	80.95	23.06		104.00	103.37	168.26

(Rs. in lakhs)

Property, Plant & Equipment	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 01.04.2021	Additions	Deductions	As At 31.03.2022	Upto 01.04.2021	For The Year	Deductions / Adj.	Upto 31.03.2022	As At 31.03.2022	As At 31.03.2021
Tangible Assets										
Plant & Machinery	206.79	10.38	-	217.16	122.24	15.80		138.04	79.12	84.55
Furniture & Fixtures	0.57	-	-	0.57	0.03	0.14		0.17	0.40	0.54
Office Equipments	-	1.45	-	1.45	-	0.04		0.04	1.41	-
Car	-	20.69	-	20.69		3.05		3.05	17.65	-
Computer/Laptop/Software's	0.59			0.59	0.45	0.09		0.53	0.05	0.14
Grand Total	207.94	32.52		240.46	122.80	19.06		141.86	98.60	85.14
Previous Year	207.37	0.57	-	207.94	104.00	18.80		122.80	85.14	103.37

(Rs. in lakhs)

Property, Plant & Equipment	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Additions	Deductions	As at 31.03.2023	Upto 01.04.2022	For the year	Deductions / adj.	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022

Tangible Assets										
Plant & Machinery	217.16	195.60	-	220.97	138.04	15.98		154.02	258.74	79.12
Furniture & Fixtures	0.57	-	-	0.57	0.17	0.10		0.27	0.30	0.40
Building	-	28.31	-	13.50	-	0.77		0.77	27.54	-
Office Equipments	1.45	-	-	1.45	0.04	5.51		8.56	12.14	1.41
Car	20.69	1.19	-	20.69	3.05	0.75		0.79	1.84	17.65
Computer/Laptop/Softwares	0.59	0.79	-	1.24	0.57	0.27		0.84	0.54	0.02
Grand Total	240.46	225.88	-	258.42	141.86	23.38		165.24	301.09	98.60
Previous Year	207.94	32.52		240.46	122.80	19.06		141.86	98.60	85.14

NOTE K- DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Deposits	65.25	30.05	0.05
TOTAL	65.25	30.05	0.05

NOTE L - DETAILS OF INVENTORIES AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Raw Material	1117.18	1,044.30	1,484.94
Semi-Finished & Finished Goods	3667.22	4,179.19	2,118.46
TOTAL	4,784.40	5,223.49	3,603.40

NOTE M - DETAILS OF TRADE RECEIVABLES AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
<u>Unsecured, Considered Good, unless otherwise stated</u>			
- Over Six Months			
From Directors/ Promoter/ Promoter Group/ Relatives of Directors and Group Companies			
Others	5,463.26	4,801.05	2,087.52
TOTAL	5,463.26	4,801.05	2,087.52

Trade Receivable Ageing Schedule

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Unsecured, Considered Good			
< 6 month	5,463.26	4,801.05	2,087.52
6-12 Month	-	-	-
1-2 year	-	-	-
2-3 Year	-	-	-
> 3 year	-	-	-
Unsecured, Considered Doubtful			
< 6 month	-	-	-
6-12 Month	-	-	-
1-2 year	-	-	-
2-3 Year	-	-	-

> 3 year	-	-	-
TOTAL	5,463.26	4,801.05	2,087.52

NOTE N - DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Balance with Banks	0.21	-	-
FD With Bank	200.16	-	-
Cash on Hand	5.63	7.68	10.77
TOTAL	206.00	7.68	10.77

NOTE O - DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Loans and Advance to Related Parties	-	-	12.10
Loans and Advance to Others	-	15.00	-
Balance with Revenue Authorities	93.96	109.21	119.44
Other Loans and Advances			
Prepaid Expenses	7.96	3.95	3.40
Advance to Suppliers	-	3.00	52.75
Advance to Staff	39.62	1.93	-
Others	1.00	-	0.25
TOTAL	142.54	133.09	187.95

NOTE P - DETAILS OF OTHER CURRENT ASSETS AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Other Deposits	-	-	0.87
TOTAL	200.16	-	0.87

NOTE Q - DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Sale of Manufactured Goods	18,416.85	18,390.14	13,235.91
Sale of Service	-	-	-
Total	18,416.85	18,390.14	13,235.91
Other Income			
Interest on FDR	0.16	0.32	-
TOTAL	0.16	0.32	-

NOTE R - DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED

(Rs. in lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Opening Stock	1,044.30	1,484.94	949.61
Add: Purchases	15,306.13	18,047.47	11,840.36
Add: Freight	103.41	138.28	100.44
Less: Closing Stock	1,117.18	1,044.30	1,484.94
TOTAL	15,336.66	18,626.39	11,405.47

NOTE - S: DETAILS OF MANUFACTURING EXPENSES AS RESTATED (Rs. in lakhs)**(Rs. in lakhs)**

Particulars	For the year ended March 31,		
	2023	2022	2021
Processing Expense	880.30	938.22	1,955.77
Electricity Expense	16.50	15.74	12.93
Folding Expense	23.54	34.71	41.85
Repair and Maintenance	22.74	2.95	2.19
Store and Spare	87.43	-	-
Packing Material	33.77	34.20	19.11
TOTAL	1064.28	1,025.81	2,031.85

NOTE T - DETAILS OF CHANGES IN INVENTORY AS RESTATED**(Rs. in lakhs)**

Particulars	As at March 31,		
	2023	2022	2021
Closing Stock	3,667.22	4,179.20	2,118.46
WIP and Finished goods			
Opening Stock			
WIP and Finished goods	4,179.19	2,118.46	1,399.86
Change in Inventory of Finished Goods, Traded Goods and Work in Progress	511.97	-2060.72	-718.60

NOTE - U: DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED**(Rs. in lakhs)**

Particulars	For the year ended March 31,		
	2023	2022	2021
EMPLOYEE BENEFITS EXPENSE:			
Salary & Wages	61.19	37.19	18.15
Directors' Remuneration	12.00	3.00	3.00
Contribution to Provident & Pension/Other Funds	2.42	0.48	1.94
Staff Welfare Expense	-	4.39	0.07
Employee Gratuity	0.52	1.17	1.00
Total	76.14	46.23	24.16

NOTE - V: DETAILS OF FINANCE COST AS RESTATED (Rs. in lakhs)**(Rs. in lakhs)**

Particulars	For the year ended March 31,		
	2023	2022	2021
FINANCE COST :			
Bank Charges	2.01	1.09	0.41
Bank Processing Charge	4.56	46.36	2.50
NBFC Processing Charges	6.85	1.36	-
Bank Interest Expense	368.49	229.98	199.84
NBFC Interest Charges	33.81	12.55	2.42
Interest On GST	0.09	0.01	0.03
Interest on Business Loan (Unsecured)	45.14	21.02	19.69
Interest on car TDS	-	0.61	5.33
Interest on Income Tax	-	-	8.83
Valuation Charges	0.27	-	-
Insurance Expenses On Loan	2.18	-	-
Total	463.40	312.97	239.03

NOTE - W: DETAILS OF DEPRECIATION & AMORTIZATION EXPENSE AS RESTATED**(Rs. in lakhs)**

Particulars	For the year ended March 31,		
	2023	2022	2021
Depreciation	23.38	19.06	18.80
Total	23.38	19.06	18.80

NOTE – X: DETAILS OF ADMINISTRATIVE SELLING & OTHER EXPENSES AS RESTATED**(Rs. in lakhs)**

Particulars	For the year ended March 31,		
	2023	2022	2021
Audit Fees Expenses	1.00	1.00	1.00
Business Promotion Expense	-	5.40	-
Commission Expense	0.03	3.31	9.37
Consulting Fees	-	0.30	1.95
Conveyance Expense	1.02	0.80	0.58
Demat Expenses	0.46	-	-
Donation Expense	-	0.56	-
ESIC Expense	-	0.83	-
Freight Expense	0.34	0.38	1.45
General Expense	0.05	0.12	0.54
GST Late filing fees	0.01	0.02	0.01
Insurance Expense	0.51	4.46	3.61
Kasar and Vatav	0.02	26.22	15.26
Legal and Professional Fees	25.58	9.87	3.14
Loading and Unloading Expense	9.22	9.80	22.08
Membership And Subscription Expenses	-	2.07	-
Office Expense	2.54	1.89	0.72
Petrol Expense	-	-	0.08
Travelling And Conveyance	-	0.98	0.11
Telephone Expense	0.22	0.16	0.26
Stamp Duty Expense	0.17	9.52	15.59
Shortage Expense	1.64	2.81	1.56
Security Expense	2.03	-	-
Round Off	-	-	0.12
Rent Expense	3.68	7.32	3.00
Repairing Expenses	0.19	1.35	-
ROC Expense	0.07	0.12	0.02
Printing and Stationery Expense	1.94	0.86	0.77
Postage and Courier expense	0.48	0.62	0.87
Total	51.21	90.78	82.06

NOTE Y - STATEMENT OF TAX SHELTER AS RESTATED**(Rs. in lakhs)**

Particulars	For the year ended March 31,		
	2023	2022	2021
Restated Profit before tax as per books (A)	889.97	329.94	153.16
Tax Rates			
Income Tax Rate (%)	25.17%	25.17%	25.17%
Permanent Timing Difference			
Effects of Other Allowance/Disallowance	-	1.46	14.15
Temporary Timing Differences			
Book Depreciation	23.38	19.06	18.80
Unpaid Gratuity	0.52	1.17	1.00

Income Tax Depreciation Allowance	-47.97	-17.61	-17.76
Total Timing Differences (C)	-24.06	4.08	16.19
Net Adjustments D = (B+C)	-24.06	4.08	16.19
Tax expense / (saving) thereon	-6.06	1.03	4.07
Taxable Income/(Loss) (A+D+E+F)	889.97	334.02	169.35
Income Tax on above	217.93	84.07	42.62
Tax Expense			
a. Current Tax Rounded	217.93	84.07	42.62
TOTAL	217.93	84.07	42.62

NOTE Z: STATEMENT OF DEFERRED TAX EXPENSES

(Rs. in lakhs)

Particulars	2023	2022	2021
WDV as per book	103.43	98.60	85.14
WDV as per IT	-293.43	-115.52	-100.61
Gratuity	0.52	1.17	1.00
Time Difference	8.19	-15.75	-14.47
Total	8.19	-15.75	-14.47
As per B/s (DTA)/DTL	2.06	-3.96	-3.64
Opening Balance	-3.96	-3.64	-3.64
Transfer to P & L A/c	-6.03	0.32	-0.00

NOTE AA - MANDATORY ACCOUNTING RATIOS AS RESTATED

(Rs. in lakhs, except per share data)

Ratios	For the Year Ended March 31		
	2023	2022	2021
Restated PAT as per P& L Account	666.01	246.20	110.54
Weighted Average Number of Equity Shares at the end of the Year	60,94,500	60,94,500	60,94,500
No. of Shares outstanding at the year end	60,94,500	60,94,500	60,94,500
Net Worth	1812.23	1146.22	900.01
EBDIT	1360.88	613.16	408.09
Earnings Per Share (Basic & Diluted)	10.93	4.04	1.81
Return on Net Worth (%)	36.75%	21.48%	12.28%
Net Asset Value Per Share (Rs)	29.74	18.81	14.77
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00

Note AA(1) - RATIO ANALYSIS

Sr. No.	Ratios	As At 31 st March			Variance	Variance	Explanation for any change in ratio by more than 25% as compared to P.Y.	Explanation for any change in ratio by more than 25% as compared to P.Y.
		2023	2022	2021				
		A	B	C	A-B	B-C		
1	Current Ratio	1.57	1.35	1.54	16.20%	-12.29%	Not applicable	Not applicable
2	Debt-Equity Ratio	3.37	4.58	3.50	-26.44%	31.05%	D/E Ratio has Improved with increase in long term and short term borrowings during the year.	D/E Ratio has increased with increase in long term and short term borrowings during the year.
3	Debt Service Coverage Ratio	3.19	2.60	1.32	0.23	96.76%	Not applicable	Increase in EBIDTA during the year has led to improvement in DSCR.
4	Return on Equity Ratio	45.02%	24.06%	13.09%	87.10%	83.90%	Better inventory management and favourable market conditions led to increase in NPAT.	Better inventory management and favourable market conditions led to increase in NPAT.
5	Inventory Turnover Ratio	14.10	9.75	5.08	-3.59%	91.80%	Not applicable	Better inventory management and favourable market conditions led to improvement in ratio.
6	Trade Receivables turnover ratio	3.59	5.34	4.23	-0.33	26.21%	Not applicable	Higher ratio indicated improvement in collection by the company.
7	Trade Payables turnover ratio	4.64	4.20	2.61	-0.27	61.00%	Not applicable	With decrease in debtors and inventory holding, trade payable holding has reduced.
8	Net Capital turnover ratio	5.66	7.79	8.14	-27.32%	-4.32%	Due to high demand company is maintaining high level of inventory which lead to reduction in ratio.	Not applicable
9	Net Profit Ratio	3.62%	1.34%	0.84%	170.12%	60.30%	Better inventory management and favourable market conditions led to improvement in ratio.	Better inventory management and favourable market conditions led to improvement in ratio.
10	Return on Capital Employed	17.39%	10.35%	10.16%	68.01%	1.88%	Better inventory management and favourable market conditions led to improvement in ratio.	Not applicable
11	Gross Profit Ratio	7.75%	4.09%	3.73%	89.48%	9.84%	Favourable market conditions led to increase in operating margins of the company.	Not applicable

- (a) Current Ratio = Current Assets / Current Liabilities.
(b) Debt- equity ratio = Total debt / Shareholders' equity.
(c) Debt service coverage ratio = EBITDA/ (Principal + Interest).
(d) Return on equity ratio= Net profit after taxes / Avg. Shareholder's Equity.
(e) Inventory turnover ratio=Cost of goods sold or sales/Average inventory.
(f) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.
(g) Trade payables turnover ratio=Direct Expenses/Average trade payables.
(h) Net Capital turnover ratio=Net sales/Average working capital.
(i) Net profit ratio=Net profit after taxes/Total Revenue.
(j) Return on capital employed=Earnings before interest and taxes/Capital employed.
(k) Gross Profit Ratio= Gross Profit / Net Sale

NOTE AB: RELATED PARTY TRANSACTIONS

NOTE AB: RELATED PARTY TRANSACTIONS			(In Lakhs)		
Nature of Transaction	Related Parties	Relation	2022-23	2021-22	2020-21
Remuneration (including bonus)	Aditya N Agrawal	Director	-	1.50	1.50
	Niranjan Agrawal	Director	12.00	1.50	1.50
Sale of Goods	Aditya Exim	Entities Under Common Control	720.53	546.68	519.33
	Manish Garment	Entities Under Common Control	334.97	249.34	67.27
	Katex Exim Pvt Ltd	Entities Under Common Control	113.15	-	516.31
Purchase and Job work	Manish Garment	Entities Under Common Control	103.74	120.27	60.06
	Aditya Exim	Entities Under Common Control	993.14	749.47	1,507.74
	Katex Exim Pvt Ltd	Entities Under Common Control	-	-	0.95
Loan receipt	Aditya N. Agarwal	Director	41.39	-	-
	Sunitadevi N. Agarwal	Director	14.00	-	-
	Niranjan Agrawal	Director	-	1,068.96	1,959.61
	Aditya Corporation	Entities Under Common Control	-	10.00	-
Loan Repayment	Niranjan Agrawal	Director	18.32	1,018.10	1,108.87
	Aditya Exim	Entities Under Common Control	-	-	91.10
	Aditya Corporation	Entities Under Common Control	10.00	-	-
Rent Expense	Manish Garment	Entities Under Common Control	3.00	3.00	3.00
Closing Balance	Receivable against Sale of Goods (Net of Payable against Purchase)				
	Aditya Exim	Entities Under Common Control	202.71	289.93	36.77
	Manish Garment	Entities Under Common Control	-82.34	63.46	18.09
	Katex Exim Pvt Ltd	Entities Under Common Control	-	-	0.23
	Payable for Rent				
	Manish Garment	Entities Under Common Control	3.24	3.24	3.54
	Payable for Director Remuneration				
	Niranjan Agrawal	Director	-	1.50	1.50
Aditya N Agrawal	Director	-	1.50	1.50	

Unsecured Loan					
	Sunitadevi N. Agarwal	Director	14.00	-	-
	Aditya N Agrawal	Director	41.39	-	-
	Niranjan Agrawal	Director	1570.17	1013.72	842.90
	Aditya Corporation	Entities Under Common Control	-	10.00	-

*These transactions/balances has been eliminated in restated financial statements

NOTE - AC CAPITALISATION STATEMENT AS AT 31ST March, 2023

(Rs. in lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	3,703.61	3,703.61
Long Term Debt (B)	2401.72	2401.72
Total debts (C)	6105.33	6105.33
Shareholders' funds		
Equity share capital	609.45	*
Reserve and surplus - as restated	1202.78	*
Total shareholders' funds	1812.23	*
Long term debt / shareholders' funds	1.33	*
Total debt / shareholders' funds	3.37	*

(*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

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 ended on March 31, 2023 and for the year ended on March 31, 2022, and March 31, 2021. 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 20 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. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Crop life Science Limited, our Company. Unless otherwise indicated, financial information included herein are based on our “*Restated Financial Statements*” for period ended on March 31, 2023 and for the Financial Years 2022-23, 2021-22, and 2020-21 included in this Draft Prospectus beginning on page 123 of this Draft Prospectus.

BUSINESS OVERVIEW

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

After the date of last financial period i.e. March 31, 2023, 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. Company’s inability to retain the experienced staff
4. Failure to adapt the changing technology in our industry of operation may adversely affect our business
5. Failure to comply with regulations prescribed by authorities of the jurisdiction in which we operate
6. 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 “Restated Financial Information” beginning on page 123 of the Draft Prospectus.

RESULTS OF KEY OPERATIONS

(₹ in lakhs)

Particulars	For the year ended on		
	31.03.2023	31.03.2022	31.03.2021
Income from continuing operations			
Revenue from operations (Sale of Manufactured Goods)	18,416.85	18,390.14	13,235.91
Total Revenue	18,416.85	18,390.14	13,235.91
% of growth	0.15	38.94	
Other Income	0.16	0.32	
% total Revenue	0.00	0.00	-
Total Revenue	18,417.01	18,390.46	13,235.91
Expenses			
Cost of Material Consumed	15,848.63	16,565.66	10,686.87
% Increase/(Decrease)	(4.33)	55.01	
Manufacturing Expenses	1,064.28	1,025.81	2,031.85

% Increase/(Decrease)	3.75	(49.51)	
Employee benefits expense	76.14	46.23	24.15
% Increase/(Decrease)	64.70	91.43	
Finance Costs	463.40	312.97	239.03
% Increase/(Decrease)	48.07	30.93	
Other expenses	51.21	90.78	82.06
% Increase/(Decrease)	(43.59)	10.63	
Depreciation and amortisation expenses	23.38	19.06	18.80
% Increase/(Decrease)	22.67	1.38	
Total Expenses	17,527.04	18,060.51	13,082.76
% to total revenue	95.17	98.21	98.84
EBDITA	1,376.75	661.98	410.98
% to total revenue	7.48	3.60	3.11
Restated profit before tax from continuing operations	889.97	329.95	153.15
Exceptional Item			
Total tax expense	223.96	83.75	42.62
Restated profit after tax from continuing operations (A)	666.01	246.20	110.53
% to total revenue	3.62	1.34	0.84

COMPARISON OF F.Y. 2022-23 WITH F.Y. 2021-22:

Income from Operations

The company is in the manufacturing activities of. In F.Y. 2022-23, the Company's total revenue was ₹18,416.85 Lakhs, which is increased by 0.15% in comparison to F.Y. 2021-22.

Expenditure:

Cost of Material Consumed

The Cost of Material Consumed is decreased by 4.33 % for the F.Y. 2022-23, which was ₹15,848.63 lakhs against the cost of Material Consumed of ₹16,565.66 lakhs in F.Y. 2021-22.

Manufacturing Expenses:

The Manufacturing Expenses for the F.Y 2021-22 was ₹1025.81 lakhs against ₹1064.28 lakhs in F.Y. 2022-23 showing increase by 3.75%. The increase in manufacturing expenses in F.Y. 2022-23 is because of increase in expenses of stores and spares and repair and maintenance mainly.

Employee Benefits Expenses:

The Employee expenses for F.Y. 2022-23 was ₹76.14 lakhs against the expenses of ₹46.23 Lakhs in F.Y. 2021-22 showing increased by 64.69%. The increase in Employee Benefits Expenses in F.Y. 2022-23 is because of increase in salary of managerial persons/ directors and increase in salary and wages because of appointment of more skilled employees for the Company.

Finance Cost:

The Finance Cost for F.Y. 2022-23 was ₹463.40 lakhs against the cost of ₹312.97 lakhs in the F.Y. 2021-22 showing an increase of 48.07 %. The increase in the Finance cost is due to increase in borrowings from the Banks and Financial Institutions in the Company in F.Y. 2022-23 as compare to F.Y 2021-22. In F.Y. 2022-23, the Company has paid 114.77% more interest in F.Y. 2022-23 by paying ₹ 45.14 lakhs interest on Business Loans (Unsecured) in compare to ₹ 21.02 lakhs in F.Y. 2021-22.

Other Expenses

Other Expenses decreased to ₹51.21 lakhs for F.Y. 2022-23 against ₹90.78 Lakhs in F.Y. 2021-22 showing decrease of 43.59%. The other expenses decrease on account of reduction in cash and quantity discounts (kasar and vata) and business promotion expenses mainly.

Depreciation and Amortisation Expenses:

The Depreciation for F.Y. 2022-23. was ₹23.38 Lakhs as compared to ₹19.06 Lakhs for F.Y. 2021-22. The depreciation was increased by 22.67 % in F.Y. 2022-23 as compared to F.Y. 2021-22. The depreciation was increased on account of Increasing Property, Plant and Equipment's during the F.Y. 2022-23.

EBDITA

The EBDITA for F.Y. 2022-23 was ₹1,376.75 Lakhs as compared to ₹661.98 Lakhs for F.Y. 2021-22. The EBDITA was 7.48 % in FY 2022-23 of total Revenue as compared to 3.60% in FY 2021-22. The EBDITA is increased on account effective and optimum utilization of material and labour results into the reduction of other expenses in F.Y. 2022-23 as compared to F.Y 2021-22.

Profit after Tax (PAT)

PAT is ₹666.01 Lakhs for F.Y. 2022-23 as compared to ₹246.20 Lakhs in F.Y. 2021-22. The PAT was 3.62% of total revenue in F.Y. 2022-23 compared to 1.34% of total revenue in F.Y. 2021-22. Increase in profit in F.Y. 2022-23 is because of decrease in expenses in the said year.

COMPARISON OF F.Y. 2021-22 WITH F.Y. 2020-21:

Income from Operations

In the F.Y. 2021-22, the Company's total revenue was ₹18,390.14 Lakhs, which is increased by 38.94% in compare to F.Y. 2020-21 total Income of ₹13,235.91 Lakhs. In F.Y. 2021-22 the sales has been increased because of change in trend and high demand of our products after the lock down.

Expenditure:

Cost of Material Consumed

The Cost of Material Consumed for F.Y. 2021-22 was ₹16,565.66 lakhs against the Cost of Material Consumed of ₹10,686.87 lakhs in F.Y. 2020-21. The Consumption of Cost of Material has been increased in FY 2021-22 to 55.01% as compared to FY 2020-21 due to increase in demand of our product in the market.

Manufacturing Expenses:

The Manufacturing Expenses for the F.Y 2021-22 was ₹1025.81 lakhs against ₹2031.85 lakhs in F.Y. 2020-21 showing decrease by 49.51%. The sharp decrease in manufacturing expenses in F.Y. 2021-22 on account of non-dependence of processing outside the factory premises is because of dramatic fall in processing expenses. In the F.Y. 2021-22, the fall in processing expenses is because of purchase of new plant and machinery in the Company.

Employee Benefits Expenses:

The Employee expenses for F.Y. 2021-22 was ₹46.23 lakhs against the expenses of ₹24.15 lakhs in F.Y. 2020-21 showing increase by 91.43 %. The increase in Employee Benefits Expenses in F.Y. 2022-23 is because of increase in salary and wages because of appointment of more skilled employees for the Company and increase in staff welfare expenses.

Finance Cost:

The Finance Cost for the F.Y. 2021-22 was ₹312.97 Lakhs against the cost of ₹239.03 Lakhs in the F.Y. 2020-21 showing increase of 30.93%. The increase in finance cost is on account of increase in Bank Processing Charges and Banks Interest Charges.

Other Expenses

Other Expenses increased to ₹90.78 lakhs for F.Y. 2021-22 against ₹82.06 lakhs in F.Y. 2020-21 showing increase of 10.63%. Due to increase in cash and quantity discounts (kasar and vatav) and business promotion expenses done by Company for the expansion of the business.

Depreciation and Amortisation Expenses:

The Depreciation for F.Y. 2021-22 was ₹19.06 lakhs as compared to ₹18.80 lakhs for F.Y. 2020-21. The depreciation increased by 1.38 % in F.Y. 2021-22 as compared to F.Y. 2020-21.

EBDITA

The EBDITA for F.Y. 2021-22 was ₹661.98 lakhs as compared to ₹410.99 lakhs for F.Y. 2020-21. The EBDIT for F.Y. 2021-22 consist of 3.60% of the total revenue and for F.Y. 2020-21, it consists of 3.11% of the total revenue.

Profit after Tax (PAT)

PAT is ₹246.20 lakhs for the F.Y. 2021-22 in compared to ₹110.54 lakhs in F.Y. 2020-21. The PAT was 1.34 % of total revenue in F.Y. 2021-22 compared to 0.84 % of total revenue in F.Y. 2020-21.

CASH FLOW

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Net cash from Operating Activities	(68.11)	11.74	(539.83)
Net cash flow from Investing Activities	(246.08)	(76.64)	(0.57)
Net Cash Flow Financing Activities	312.34	61.82	530.49

Cash flow March 31, 2023

The company was investing in the fixed assets and also partly operating activities from the financing activities hence the cash flow from investing activity and Operating activity was negative. As far as Cash flow from operating activities were concerned, the company's funds blocked in change in working capital is more than the Profit earned by the Company hence the cash flow from Operating activity was negative. The Outflow of the cash flow from operating activity and cash flow from investing activity was financed through borrowings by the Company.

Cash flow March 31, 2022

The company was investing in the fixed assets hence the cash flow from investing activity was negative. As far as Cash flow from operating activities were concerned, the company's funds blocked in change in working capital is less than the Profit earned by the Company hence the cash flow from Operating activity was positive. The surplus of cash flow from Financing activity and cash flow from operating activity was used for acquiring plant and machinery and long term loans and advances.

Cash flow March 31, 2021

The outflow in operating activity amounting to RS 539.83 lacs was financed by the long term borrowing of Rs 761.10 lacs by the Company.

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 other than shut down of business due to 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 20 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 sale of garment materials.

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 20 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 manufacturing industry, the relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no 71 of this Draft Prospectus.
8. **Status of any publicly announced new products or business segment.**
Our Company has not announced any new services or business segment.
9. **The extent to which business is seasonal.**
Our Company’s business is not seasonal in nature.
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 71 and 81, respectively of this Draft Prospectus.

FINANCIAL INDEBTEDNESS

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on August 31, 2023 (Rs. in Lakhs)	Interest Rate per Annum	BG / LC Commission	Combined Security
Karnataka bank limited*	Overdraft Facility	3500.00	3,293.02	8.15%	-	<p>Primary Security Hypothecation of Stocks / Receivables.</p> <p>Collateral Security (Common to M/s katesx Eximm Private Limited) Equitable mortgage of Commercial land measuring 2000 sq meters and building constructed thereon, situated at old khasara No.1771/1/1 and New Khasara No.5191/5049 at village khatushyam, Tehsil Dataramgarh, Sikar District Standing in name of Mr. Niranjana Agarwal</p> <p>Equitable mortgage of Residential Bungalow measuring 339 sq yards situated at survey no. 582/A, 582/B, sup Plot No. 12A at Mouje village , Aman Bungalows, Opposite to BSNL office, Near Basant Bahar, Bopal. Ahmedabad standing in the name of Mrs. Sunitadevi Niranjana Agarwal.</p> <p>Equitable mortgage of Residential Tenement measuring 110.sq yards (91.97 sq Meters) situated at Tenement no. 4, Final plot No.27/A, Hissa No. 22, TPS No.4, Mouje Villa, Shreenath Colony Co. op. House Society Ltd, Opposite to Best High School Bhairavnath mandir, Maninagar Ahmedabad standing in the name of Mrs. Sunitadevi Niranjana Agarwal</p> <p>Equitable mortgage of open Non Agricultural land measuring 36956 Sq Meters (44199.37 Sq. Yards) situated at survey no. 1128/1/A, Khata No.8958,</p>
	GECL-Term Loan	374.00	272.58	9.00%	-	
	GECL 1 Extention	165.92	164.49	10 year Government Security + 2.72 % p.a. Presently at 9.00% p.a	-	

						Next to canal, Near petrol pump, Dadusar road. Opp to Dholka-Bagodara, Highway, Dholka. Ahmedabad Standing in name of Mr. Niranjana Agarwal Fixed Deposits
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***Terms and Conditions:**

a) Post-Disbursement Terms:

1. Securities charged to the bank shall be insured for full value with all necessary risks with the bank clause. All expenses in this connection shall be borne by the company
2. Visits to applicants factory/business premises for inspection purpose or otherwise, Visit charges shall be borne by the company
3. Revalued by the approved Valuer of the bank once in 3 years at company's cost
4. Value plant & machineries and collateral properties are insured adequately (for full value) against all inherent risk and bank clause. copies of the Insurance policies shall be submitted to bank

b) Pre-shipment:

1. The margin of at least 25% should be maintained on hypothecated/exportable stock with adequate insurance cover.
2. Borrower should maintain sufficient drawing power to avail pre-shipment credit branch to ensure that pre-shipment loan should be released only to the extent of drawing power available.
3. Stock should be inspected periodically and stock verification report should be submitted.

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on August 31, 2023 (Rs. in Lakhs)	Interest Rate per Annum	Combined Security
Icici Bank Limited**	Cash Credit (Sub Limit 500.00 Lakhs, Export Packing Credit)	1,350.00	795.12	The rate of interest of the Facility stipulated by the Bank shall be sum of the Repo Rate plus 'Spread' per annum, As on date the Repo Rate is 6.50 and Spread is 2.75%.	First pari passu charge on Current assets and receivable of the company Survey/Block No 1121-A , Mouje Dholka, Dholka , Ahmedabad , Gujarat, India. Old Khasara No. 1771/1/1 and New Khasara No. 5191/5049 , Village Khatushyam , Sikar, Rajasthan , India.

					<p>Survey No. 582/A, 582/B, Sub Plot No. 12A , Bopal, Ahmedabad ,Gujarat, India.</p> <p>Survey/Block No 1128/1/A, Khata No. 8958 , Dholka , - , Next to Canal, Near Petrol Pump , Dholka , Ahmedabad , Gujarat , India.</p> <p>Tenement No 4, Final Plot No. 27/A, Hissa No. 22, TPS No. 4, Mouje Villa, Shreenath Colony Co Op Housing Society Ltd , Maninagar , Ahmedabad , Gujarat ,India.</p>
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****Terms and Conditions:**

Corporate Guarantee

1. Katex Exim Private Limited for Cash Credit, Export Packing Credit, Packing credit in Foreign Currency, FUBD/FBP/PSFC

Margin

1. Uniform margin of 25 % against all components of inventory. Sundry creditors to be reduced for the purpose of drawing power calculation. Outstanding of Pre Shipment Credit to be deducted from Stock and outstanding of Post Shipment credit to be deducted from Debtors for drawing power calculations.

Other Terms & Conditions

1. Borrower shall ensure that total working capital bank finance will not exceed assessed MPBF limits of Rs. 4850.00 Lakhs
2. Corporate Guarantor shall ensure that Adjusted Tangible Net Worth shall be maintained at minimum of Rs.1361 Lakhs during the currency of the ICICI bank loan wherein Adjusted Tangible Net Worth shall be defined as "Share Capital + Reserves & Surplus + unsecured loans subordinated-intangible assets-Advance / Investment to group company
3. Borrower shall ensure that Adjusted Tangible Net Worth shall be maintained at minimum of Rs. 2657 L,akhs during the currency of the ICICI bank loan wherein Adjusted Tangible Net Worth shall be defined as "Share Capital + Reserves & Surplus + unsecured loans subordinated-intangible assets-Advance / Investment to group company
4. The company has to route proportionate turnover with ICICI Bank as per ICICI Bank share under multiple banking arrangement
5. Pari-Passu letter to be obtained from Karnataka Bank for Charge on Current Assets and Collateral Security before removal of lien of Rs. 100 Mn and ICICI Bank shall also issue Pari Passu Letter to partner bank in MBA.
6. ICICI Bank to create security on FD worth Rs. 200 Lakhs and Commercial Property at Dholka (1121-A) and share First Pari Passu Charge with Karnataka Bank.

Karnataka Bank to share First Pari Passu Charge on below collateral securities with ICICI Bank;

1. Commercial Property at Sikar,
2. Residential Property at Bopal
3. Residential Property at Maninagar
4. Open Land at Dholka (1128/1/A)
5. FD worth Rs. 20 Mn (ICICI Bank share is 709 Lakhs)

Following are the details of unsecured loans/indebtedness of the Company:

Sr	Name of the Lender	Credit Facility	Sanctioned Amount (Rs. In Lakhs)	Outstanding Amount as on August 31, 2023 (Rs. In Lakhs)	Interest Rate (%)	EMI (Rs. In Lakhs.)
1	Bajaj Finance Limited	Unsecured Loan	30.06	10.75	16.00	1.06
2	HDFC Bank Limited	Unsecured Loan	50.18	43.30	15.00	1.74
3	Unity Small Finance Bank Limited	Unsecured Loan	20.00	18.28	18.50	0.73
4	Mahindra & Mahindra Financial Services Limited	Unsecured Loan	25.00	21.70	20.40	0.93
5	Ambit Finvest Private Limited	Unsecured Loan	20.00	17.17	19.00	1.01
6	Fullerton India on India Credit Co. Ltd	Unsecured Loan	40.38	34.51	16.00	1.98
7	#State Bank of India	Car Loan – Toyota	17.50	13.95	7.60	0.27

The loan is sanctioned in the personal name of Director and the repayment of loan is made from the company's account and Car is also shown under the Fixed Assets

Following are the details of Inter corporate Loans and Promoter Loans

Sr. No	Name of the Lender	Outstanding Amount as on August 31, 2023 (Rs. In Lakhs)	Interest Rate (%)
1	R S K Industries Private Limited	550.00	12%
2	Niranjan D. Agarwal	1616.16	-
3	Sunitadevi N. Agarwal	14.00	-
4	Aditya N. Agarwal	41.39	-

OTHER FINANCIAL INFORMATION

Restated Ratios

Sr. No.	Ratios	As At 31 st March			Variance	Variance	Explanation for any change in ratio by more than 25% as compared to P.Y.	Explanation for any change in ratio by more than 25% as compared to P.Y.
		2023	2022	2021				
		A	B	C				
1	Current Ratio	1.57	1.35	1.54	16.20%	-12.29%	Not applicable	Not applicable
2	Debt-Equity Ratio	3.37	4.58	3.50	-26.44%	31.05%	D/E Ratio has Improved with increase in long term and short term borrowings during the year.	D/E Ratio has increased with increase in long term and short term borrowings during the year.
3	Debt Service Coverage Ratio	3.19	2.60	1.32	0.23	96.76%	Not applicable	Increase in EBIDTA during the year has led to improvement in DSCR.
4	Return on Equity Ratio	45.02%	24.06%	13.09%	87.10%	83.90%	Better inventory management and favourable market conditions led to increase in NPAT.	Better inventory management and favourable market conditions led to increase in NPAT.
5	Inventory Turnover Ratio	14.10	9.75	5.08	-3.59%	91.80%	Not applicable	Better inventory management and favourable market conditions led to improvement in ratio.
6	Trade Receivables turnover ratio	3.59	5.34	4.23	-0.33	26.21%	Not applicable	Higher ratio indicated improvement in collection by the company.
7	Trade Payables turnover ratio	4.64	4.20	2.61	-0.27	61.00%	Not applicable	With decrease in debtors and inventory holding, trade payable holding has reduced.
8	Net Capital turnover ratio	5.66	7.79	8.14	-27.32%	-4.32%	Due to high demand company is maintaining high level of inventory which lead to reduction in ratio.	Not applicable
9	Net Profit Ratio	3.62%	1.34%	0.84%	170.12%	60.30%	Better inventory management and favourable market conditions led to improvement in ratio.	Better inventory management and favourable market conditions led to improvement in ratio.

10	Return on Capital Employed	17.39%	10.35%	10.16%	68.01%	1.88%	Better inventory management and favourable market conditions led to improvement in ratio.	Not applicable
11	Gross Profit Ratio	7.75%	4.09%	3.73%	89.48%	9.84%	Favourable market conditions led to increase in operating margins of the company.	Not applicable

- (a) Current Ratio = Current Assets / Current Liabilities.
(b) Debt- equity ratio = Total debt / Shareholders' equity.
(c) Debt service coverage ratio = EBITDA/ (Principal + Interest).
(d) Return on equity ratio= Net profit after taxes / Avg. Shareholder's Equity.
(e) Inventory turnover ratio=Cost of goods sold or sales/Average inventory.
(f) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.
(g) Trade payables turnover ratio=Direct Expenses/Average trade payables.
(h) Net Capital turnover ratio=Net sales/Average working capital.
(i) Net profit ratio=Net profit after taxes/Total Revenue.
(j) Return on capital employed=Earnings before interest and taxes/Capital employed.
(k) Gross Profit Ratio= Gross Profit / Net Sales.

Restated Capitalisation Statement

(Rs. in lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	3,703.61	3,703.61
Long Term Debt (B)	2401.72	2401.72
Total debts (C)	6105.33	6105.33
Shareholders' funds		
Equity share capital	609.45	*
Reserve and surplus - as restated	1202.78	*
Total shareholders' funds	1812.23	*
Long term debt / shareholders' funds	1.33	*
Total debt / shareholders' funds	3.37	*

(*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

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 September 01, 2023 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 Rs. 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 September 01, 2023 determined that outstanding dues to creditors in excess of Rs. 5.00 lakhs as per the restated financials for the period ended March 31, 2023 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.kalahridhaan.com. 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

Assessment Year	Section	Outstanding demand Amount with Interest (in Rs. in Lakhs)
2019-20	1431a	6.80

4) Proceedings against Our Company for economic offences/securities laws/ or any other law

NIL

5) Penalties in Last Five Years

NIL

6) Pending Notices against our Company

NIL

7) Past Notices to our Company

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

B. LITIGATIONS FILED BY OUR COMPANY

1) Criminal Litigations

Sr. No.	Parties	Case No.	Authority	Summary	Current Status
1.	Complainant: M/s. Kalahridhaan Trendz Limited Accused: M/s. Bhola Synthetics Pvt. Ltd. & Ors.	CC/34321/2022	Hon'ble Metropolitan Magistrate Court at Ahmedabad,	The Company had supplied various fabric materials to M/s. Bhola Synthetics Pvt. Ltd (Accused) during the period February 18, 2019 to October 16, 2019 vide 26 invoices amounting to Rs. 54,20,268/- against which the accused had paid only Rs. 22,00,000/- only and Rs. 32,20,268/- was outstanding. The accused has issued ch. No.467774 of Canara Bank, dated January 20, 2022 amounting to Rs. 30,00,000/- towards the above outstanding amount. The said cheque was returned unpaid on January 24, 2022 with the remarks "Exceeds Arrangement". So, the Company has issued legal notice u/s138 of Negotiable Instrument Act, 1881 against M/s. Bhola Synthetics Pvt. Ltd. & ors on February 04, 2022. The Company have prayed the compensation out of the separate from the fined amount as per Section 357 of the Code of Criminal Procedure, 1973.	Next Date of hearing is September 21, 2023*

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

2) Civil Proceedings

Sr. No.	Parties	Case No.	Authority	Summary	Current Status
1.	Plaintiff: M/s. Kalahridhaan Trendz Limited	Comm/CS/96/2022	Hon'ble Commercial Court at City	The Company had issued 2 invoices amounting to Rs.	Next date of hearing is

	Defendant: M/s. Ashtavinayak Texsource		Civil Court, Ahmedabad, Gujarat	6,05,890 and Rs.5,78,896 to M/s. Ashtavinayak Texsource for the supply of various fabric materials to them. They have paid Rs.4,74,443 only. The Company have filed a recovery suit against the them in Commercial Court at Ahmedabad, for recovery of Rs. 11,53,537.77 (Consisting of Rs. 7,10,343 Principal amount and Rs. 4,43,194.77 interest @24%perannum.	October 26, 2023
2.	Plaintiff: M/s. Kalahridhaan Trendz Limited Defendant: M/s. Nandpriya Fabrics Pvt. Ltd.	Comm/CS/99/ 2022	Hon'ble Commercial Court at Ahmedabad	The Company had supplied various fabric materials to M/s. Nandpriya Fabrics Pvt. Ltd. (Accused) during the period June 15, 2019 to January 28, 2020 vide 27 invoices amounting to Rs. 49,15,372 against which the accused had paid only part of the outstanding amount and Rs. 43,96,658 was remained unpaid and outstanding. Against the above outstanding amount they have issued 5 cheques amounting to Rs.7,82,839 of Syndicate Bank, Gandhinagar Branch, Delhi (already merged Bank) as the Syndicate Bank was merged with the Canara Bank, so the cheques itself were invalid. Thereafter, they have not paid any amount against the outstanding amount. So, we have filed a recovery suit against the them in Commercial Court at Ahmadabad, for recovery of Rs. 68,34,954.22 (Consisting of Rs. Rs.43,96,658 Principal amount and Rs. 24,38,296.22 interest @ 24% per annum.	Next date of hearing is October 03,2023

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

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

A. LITIGATIONS AGAINST DIRECTOR(S) OF OUR COMPANY

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

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

Assessment Year	Section	Outstanding demand Amount with Interest (in Rs. in Lakhs)
2010-11	271(1)(C)	123.53
2010-11	147	144.10
2013-14	143(3)	0.28
2016-17	143(1)(a)	6.65
2018-19	154	2.49
2020-21	143(3)	11.74

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

Assessment Year	Section	Outstanding demand Amount with Interest (in Rs. in Lakhs)
2016-17	154	1.96
2018-19	147	0.68
2018-19	147	0.03

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

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

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

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

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

A. LITIGATIONS AGAINST PROMOTER(S) OF OUR COMPANY

- 1) Criminal Litigations
NIL

- 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 147 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 March 31, 2023, our Company had 224 creditors, to whom a total amount of Rs. 2791.68 lakhs were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board

dated September 01, 2023, considered creditors to whom the amount due exceeds Rs.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 (Rs. in Lakhs)
1.	Amount due to Micro and Small Enterprises.	0.00
2.	Amount due to Material Creditors.	2714.90
3.	Amount due to Other Creditors.	76.78
	Total	2791.68

*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 suppliers under the MSMED Act. Trade Payables are non-interest bearing and are normally settled within the terms. There are no other amounts paid/payable towards interest/principal under the MSMED, Act. For complete details about outstanding dues to creditors of our Company, please see website of our Company www.kalahridhaan.com.

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.kalahridhaan.com would be doing so at their own risk.

WILFUL DEFAULTER AND FRAUDULENT BORROWER

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

GOVERNMENT AND OTHER STAUTORY APPROVALS

In view of the licenses, permissions, approvals, no-objections, certifications, registrations, (collectively “Approvals”) from the Government of India and various statutory, regulatory, governmental authorities listed below, our Company have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business activities (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business. It must be distinctly understood that in granting these Approvals, the Government of India and other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities. For further details in connection with the regulatory and legal framework within which we operate, please refer “Key Industrials Regulations and Policies” on page 95 of this Draft Prospectus.

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

Corporate Approvals

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on September 01, 2023 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 September 25, 2023 passed in the AGM under Section 62(1) (c) of the Companies Act, 2013 authorised the Issue.

In-principle approval from the Stock Exchange

3. The Company has obtained in-principle listing approval from the Emerge Platform of the NSE dated [●].

Agreements with CDSL and NSDL

4. The Company has entered into an agreement dated November 22, 2018 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 November 19, 2018 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 INE02M801018


(B) Registration under the Companies Act, 2013:

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Registrar of Companies, Central Registration Centre	U17299GJ2016PTC092224 vide Certificate of Incorporation dated May 27, 2016.	Companies Act, 2013	Certificate of Incorporation	Valid, till Cancelled
2.	Registrar of Companies, ROC –Ahmedabad	U17299GJ2016PLC092224 vide Certificate of Incorporation dated November 27, 2017.	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)	AAGCK1765P	Income Tax Act, 1961	Permanent Account Number	Valid, till Cancelled
2.	Income Tax Department - (TAN)	AHMK08761E	Income Tax Act, 1961	Tax Deduction and collection Account Number	Valid, till Cancelled
3.	Central Board of Indirect Taxes & Customs	24AAGCK1765P 1Z3	The Central Goods And Services Tax Act, 2017.	GST Certificate, Gujarat	Valid, till cancelled

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

Sr. No.	Authority Granting Approval	Approval/Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-GJ-01-0108502	The Micro, Small and Medium Enterprises Development Act, 2006	Udyam Registration Certificate	Valid till cancelled
2.	Directorate Industrial Safety and Health	License No. 35297 Registration No. 9224/13991/2018	Factories Act, 1948	License to work a factory	Upto December 31, 2027
3.	The Trade Marks Registry under The Trade Marks Act, 1999- Mumbai	Trade Mark No. 4260410 Device: 	The Trade Marks Act, 1999	Certificate of Registration of Trademark	Valid upto 08/08/2029 and renewed thereafter.
4.	Ministry of Labour and Employment, Government of India	Code No. GJVAT1816723000	Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund Intimation Letter	Valid till cancelled
5.	Employees State Insurance Corporation	Code No. 37001128620000199	Employees State Insurance Act, 1948	Intimation Letter	Valid till cancelled

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 September 01, 2023 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.

Except as stated below, there are no company which is considered material by the Board of Directors of our Company to be identified as Group Company.

Details of our Group Companies:

1. Odles E-Commerce Private Limited

Brief Corporate Information

Date of Incorporation	December 08, 2021
Current Activities	To provide service of E-commerce business for B2B Transaction and to collect, sale purchase online orders for the business.
CIN	U74140GJ2021PTC127831
Registered Office Address	718, 7th Floor, Shivalik Shilp, Iscon Cross Road Ambli - Bopal Road, S.G Highway Ahmedabad 380015

Board of Directors

As on date of this Draft Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Niranjan Agarwal	Director	00413530
2.	Aditya Agarwal	Director	07511136
3.	Yash Naresh Agarwal	Director	09164207

Financial Information

(Rs. In Lacs)

Particulars	2021-22
Share Capital	4.00
Reserves (excluding revaluation reserve)	(10.84)
Revenue from Operations	--
Other Income	--
Profit After Tax	(10.84)
Earnings Per Share/ Diluted Earnings Per Share	(27.10)
Net Assets Value	(17.1)

2. Katex Exim Limited

Brief Corporate Information

Date of Incorporation	December 13, 2017
Current Activities	Manufacturing, buying, selling exporting, importing and dealing in all types of Textiles clothes
CIN	U17309GJ2017PLC100133
Registered Office Address	55, AshraInD Estate B/H. Mahalaxmi Fabrics, Narol Ahmedabad 382405

Board of Directors

As on date of this Draft Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Niranjan Agarwal	Director	00413530
2.	Aditya Agarwal	Director	07511136
3.	Sajal Rakesh Bansal	Director	02259352

Financial Information

(Rs. In Lacs)

Particulars	2022-23	2021-22
Share Capital	900.00	900.00
Reserves (excluding revaluation reserve)	698.45	326.51
Revenue from Operations	1117758	13012.41
Other Income	1136.14	1277.90
Profit After Tax	371.95	205.63
Earnings Per Share / Diluted Earnings Per Share	4.13	2.28
Net Assets Value (₹ per share)	17.77	13.63

In accordance with the SEBI (ICDR) Regulations, financial information in relation to our Group Company is also available at the website: www.kalahridhaan.com.

Other confirmations:

- None of our Group Companies are listed Company.
- The Group Companies are neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- There are no defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against the Company.

Common Pursuit:

Our Group Companies Shree Laxminarayan Weaving Private Limited, Aadi Texworld Private Limited and Katex Exim Limited is in the same line of business as our Company.

Business Interests amongst our Company and Group Company /Associate Company

Except as disclosed in Note AB “Related Party Transactions” on page 145 under Chapter Restated Financial Statement, none of our Group Entities have any business interest in our Company.

Sale or Purchase between Our Company and Our Promoter Group Company

For details, see Note AB “Related Party Transactions” on page 145 of Draft Prospectus.

Changes in Accounting Policies in the last three years

Except as mentioned under the paragraph Changes in Significant Accounting Policies, under Chapter titled “Restated Financial Statements” beginning on page 123 of the Draft Prospectus, there have been no changes in the accounting policies in the last three years.

Litigation

For details relating to the legal proceedings involving the Group Entities, see “Outstanding Litigations and Material Developments” on page 158 of this Draft Prospectus.

Defunct /Struck of Company

There are no Companies in our group listed above which have been declared as a sick company under the SICA. There is no winding up proceedings against any of Promoter Group Companies.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE OFFER

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on September 01, 2023, subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1)(c) vis-à-vis of the Companies Act, 2013.

The shareholders of our Company have authorised the Issue by a special resolution passed pursuant to Section 62(1) (c) vis-à-vis of the Companies Act, 2013 at the EGM of our Company held on September 25, 2023.

We have received In- Principle Approval from NSE Emerge vide their letter dated [•] to use the name of NSE in the Prospectus for listing of our Equity Shares on SME Platform of NSE Emerge. NSE 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.

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, have been identified as a willful defaulter or a fugitive economic offender by the RBI or other government authorities.

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” 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 (face value) capital is more than ten crores and upto twenty five crore, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Platform", in this case being the NSE Emerge). Our Company also complies with eligibility conditions laid by SME Platform of NSE Emerge 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 hundred percent 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. 38 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, otherwise, the entire application

money will be unblocked forthwith. If such money is not unblocked within four working 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 four days, 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 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. 38 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, 1956/2013

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 (face value) of the Company will be Upto ₹17.19 Crore, less than ₹25 crores.

3. Track Record

(A) The Company should have Track Record of at least 3 years.

Our Company was incorporated on May 27, 2016, under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies. Therefore, we are in compliance with criteria of having track record of 3 years

(B) The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.

(₹ in lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Operating profit (EBIDT) from operations for at least any 2 out of 3 financial years.	1,360.88	613.16	408.09
Net worth as per Restated Financial statement	1812.23	1,146.22	900.01

4. Other Requirements:

We confirm that

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 NCLT/ Court and accepted by a court or a Liquidator has not been appointed.

No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the NSE Emerge.

5. Disclosures

We confirm that

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting companies of the Company.

- ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting Company(ies) during the past three years.

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 MERCHANT BANKER, 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 SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING 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 STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 28, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE 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 NSE Emerge of NSE:

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter [•] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

CAUTION- DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE LM

Our Company, our Directors, and the LM accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website: www.kalahridhaan.com or any website of any affiliate of our Company, any of the Group Companies, would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement entered into between the Underwriters, and our Company. All information shall be made available by our Company and the LM to the public and investors at large including our website: www.kalahridhaan.com, www.ifinservices.in would be doing so at their own risk and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

None among our Company, or any member of the Syndicate is liable for any failure in uploading the Applications due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

DISCLAIMER IN RESPECT OF JURISDICTION

This issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, any FII sub-account registered with SEBI which is a foreign corporate or foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft 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 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 Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of 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

The Equity Shares offered through the Draft Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”). NSE EMERGE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being Issued.

If the permission to deal in the Equity Shares is not granted by NSE EMERGE, our Company will forthwith repay, without interest, all monies received from the Applicants in pursuance of the Draft Prospectus will be liable to reimburse our Company for such repayment of monies, on its behalf. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 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 and Banker’s to Issue & Sponsor Bank to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of filing of the Prospectus for registration with the ROC. – **NOTED FOR COMPLIANCE**

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s S N Shah & Associates, Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements dated September 05, 2023 and M/s Piyush Kothari & Associates, Statutory Auditor of the company have agreed to provide statement of Tax Benefits dated September 26, 2023, 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.

Further, such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus. –
NOTED FOR COMPLIANCE

EXPERT OPINION

Except for Peer Review Auditors' reports on the restated financial statements issued by M/s. S N Shah & Associates, and Statement of Tax Benefits issued by M/s Piyush Kothari & Associates, Chartered Accountants; we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Company has not made any Public or Right issue during last five years.

COMMISSION OR BROKERAGE

We have not made any public issue in last five 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

Our Company and Group Companies/Entities have not made any capital issue during the last three years.

PERFORMANCE VIS-À-VIS objects;

Except as stated in the chapter titled "*Capital Structure*" beginning on page 47 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last 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

For details regarding the price information and track record of the past issue handled by Interactive Financial Services Ltd, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, and the website of Lead Manager at www.ifinservices.in

Disclosure of Price Information Of Past Issues Handled By Interactive Financial Services Ltd

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Bhatia Colour Chem Limited (BSE SME)	40.00	80	March 24, 2022	40.00	-36.50% (-0.69%)	-40.56% (-8.79%)	-30.00% (+2.68%)
2.	Global Longlife Hospital and Research Ltd (BSE SME)	49.00	140	May 04, 2022	141.10	-40% (+0.27%)	-43.64% (+4.39%)	-47.00% (+9.12%)
3.	Rachana Infrastructure Ltd (NSE EMERGE)	76.28	135	June 10, 2022	138.00	+62.44% (+0.09%)	+250.04% (+8.78%)	+716.59% (+16.17)
4.	Dipna Pharmachem Limited (BSE SME)	15.21	38	September 08, 2022	32.00	-41.05% -2.51%	-44.74% (+4.92%)	-61.97% (+0.90)
5.	Pace E-Commerce Ventures Limited (BSE SME)	66.53	103	October 20, 2022	104.50	-61.99% (+4.16%)	-72.91% (+2.45)	-77.89% (+1.20%)
6.	Patron Exim Limited (BSE SME)	16.68	27	March 06, 2023	28.40	-73.30% (-1.86%)	-64.37% (+4.26%)	+62.37% (+8.57%)
7.	Prospect Commodities Limited (BSE SME)	7.47	61	March 20, 2023	61.00	+11.89% (+3.64%)	+16.39% (+9.61%)	+16.85% (+17.72)
8.	Sahana System Limited (NSE EMERGE)	32.74	135	June 12, 2023	163.00	+10.59% (+4.50%)	+94.26% (+7.50%)	NA
9.	Bizotic Commercial Limited (BSE SME)	42.21	175	June 23, 2023	180.00	-67.91% (+5.41%)	-63.14% (+6.07%)	NA
10.	Tridhya Tech Limited (NSE EMERGE)	26.41	42	July 13, 2023	42.00	-1.19% (+0.07%)	NA	NA
11.	Crop Life Science Limited (NSE EMERGE)	26.73	52	August 30, 2023	55.95	NA	NA	NA

Sources: All share price data is from www.nseindia.com

Note:

1. The BSE Sensex is considered as the Benchmark Index
2. Prices on BSE are considered for all of the above calculations
3. NA where the periods are not completed
4. NIFTY50 has considered as the benchmark index of NSE

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds Raised (₹ Cr)	Nos of IPOs trading at discount on 30 th Calendar Day from listing date			Nos of IPOs trading at premium on 30 th Calendar day from listing date			Nos of IPOs trading at discount on 180 th Calendar day from listing date			Nos of IPOs trading at premium on 180 th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
2021-22	1	40.00	NA	1	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2022-23	6	231.17	2	2	NA	1	NA	1	3	1	NA	1	NA	1%
2023-24	4	128.08	1	NA	1	NA	NA	1	NA	NA	NA	NA	NA	NA

Track Record of past issues handled by Interactive Financial Services Limited

For details regarding track record of the Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.ifinservices.in.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Issue 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 Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application 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 September 01, 2023. For further details, please refer the chapter titled "*Our Management*" on page no. 109 of Draft Prospectus.

Our Company has also appointed Mr. Sherry Sunny as the Company Secretary and Compliance Officer of our company, for this Issue he may be contacted in case of any pre-issue or post-issue related problems at the following address:

Mr. Kushang Thakkar

Kalahridhaan Trendz Limited

Registered Address: 57 Ashra Industrial Estate, B/H Mahalaxmi Fabrics,
Nr. Narol Cross Road, Ahmedabad 382405, Gujarat, India.

Tel No: +91-6353302166

Website: www.kalahridhaan.com

E-mail: cs@kalahridhaan.com

TERMS OF THE ISSUE

The Equity Shares being Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. 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 Stock Exchange(s), the RBI, ROC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the ROC and/or any other authorities while granting its approval for the Offer 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 214 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 September 01, 2023 and approved by the shareholders of our Company vide a special resolution at the Annual General Meeting held on September 25, 2023 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 122 and 214 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 ₹ [●] 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 63 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 214 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 [●] Equity Shares and the same may be modified by Emerge Platform of NSE 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 [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

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

In accordance with Regulation 268 (1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer 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 collected shall be refunded within four (4) Working days of closure of Issue. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

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 Offer

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 Issue, 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 Issuer 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

- I. 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.
- II. 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;
- III. 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;
- IV. 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, 2018, 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 Emerge Platform of NSE 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 [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE 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 47 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 214 of the Draft Prospectus.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the Emerge Platform on a later date subject to the following:

- a) If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid-up Capital of our company is more than ₹ 10 crores and the capitalization of our equity is more than ₹25 crores and our company have been listed on Emerge Platform for at least two years, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this issue are proposed to be listed on the Emerge Platform of NSE Limited (Emerge Platform), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the Emerge Platform of NSE Limited 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 38 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 November 22, 2018 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated November 19, 2018 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(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 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 platform of National Stock Exchange of India Limited ("NSE EMERGE")). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 177 and 186 respectively of this Draft Prospectus.

Public Issue of up to 50,00,000 fresh Equity Shares of Face Value of ₹ 10.00/- each fully paid (The "Equity Shares") for cash at a price of ₹ [●] per Equity Shares (including a premium of ₹ [●] per equity share) aggregating to Rs. [●] ("the offer") by our company.

Particulars	Net Issue to Public	Market Maker reservation portion
Number of Equity Shares	[●] * Equity Shares	[●] Equity Shares
Percentage of Issue Size available for allocation	[●] % of the Issue Size	[●] % of the Issue Size
	[●] % of the Post Issue Paid up capital	[●] % of the Post Issue Paid up capital
Basis of Allotment/ Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of [●] Equity Shares and Further allotment in multiples of [●] Equity Shares each. For further details, please refer to the section titled "Issue Procedure" on page 186 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 [●] 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 [●] Equity Shares.	Up to [●] Equity Shares
Maximum Bid	<u>For OIB and NII:</u> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed 47,50,000 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	Up to [●] Equity Shares
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode

Trading Lot	<input type="checkbox"/> Equity Shares	<input type="checkbox"/> Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
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 186 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 the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for

applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public Issue closure to listing is proposed to be reduced to three working days.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

Fixed Price Issue Procedure

The offer 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 NSE (www.nseindia.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
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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 exchange(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 policies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Overseas Corporate Bodies

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 up to 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 Retail Individual Applicants

The Application must be for a minimum of 2,000 Equity Shares and in multiples of 2,000 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 2,000 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.

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 ₹[●] 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 streamline the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

Who can apply through UPI Mode:

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

Process

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: www.sebi.gov.in.

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 investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

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. 38 of this Draft Prospectus.

Filing of the Offer Document with the ROC

For filing details, please refer Chapter titled "General Information" beginning on page 38 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 transfers 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 Draft 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 November 19, 2018 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated November 22, 2018 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No: INE02M801018

- 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>Kalahridhaan Trendz Limited Mr. Kushang Thakkar Company Secretary and Compliance Officer Address: 57 Ashra Industrial Estate, B/H Mahalaxmi Fabrics, Nr. Narol Cross Road, Ahmedabad 382405, Gujarat, India. Tel No: +91 6353302166 Website: www.kalahridhaan.com E-mail: cs@kalahridhaan.com</p>	<p>Bigshare Services Private Limited Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093 Tel No: +91 22-62638200 Fax No +91 22-62638299 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Contact Person: Vinayak Morbale SEBI Reg. No.: INR000001385</p>
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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 Draft 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 [●] equity shares the allotment will be made as follows:
 - I. Each successful applicant shall be allotted [●] equity shares; and
 - II. The successful applicants out of the total applicants for that category shall be determined by the 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 [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] 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 [•] 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, FIIs and foreign venture capital funds and all Non-Residents, NRI, FII 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, 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 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction – Foreign Investment in India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

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.

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 2020 and amendments from time to time thereupon, 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, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

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% and 24% 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.

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 recognized 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 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, 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.

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 the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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
OF
KALAHRIDHAAN TRENDZ LIMITED**

Title of Article	Article Number	Content
Constitution Of The Company	1.	<p>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.</p> <p>“public company” means a company which—</p> <p>(a) is not a private company;</p> <p>(b) has a minimum paid-up share capital of five lakh rupees or such higher paid-up capital, as may be prescribed:</p> <p>Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles</p>
Interpretation Clause	2.	<p>The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:</p> <p>(a) ‘The Act’ or ‘The Companies Act’ shall mean ‘The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.’.</p> <p>(b) ‘The Board’ or ‘The Board of Directors’ means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.</p> <p>(c) ‘The Company or This Company means KALAHRIDHAAN TRENDZ LIMITED.’</p> <p>(d) ‘Directors’ means the Directors for the time being of the Company.</p> <p>(e) ‘Writing’ includes printing, lithograph, typewriting and any other usual substitutes for writing.</p> <p>(f) ‘Members’ means members of the Company holding a share or shares of any class.</p> <p>(g) ‘Month’ shall mean a calendar month.</p> <p>(h) ‘Paid-up’ shall include ‘credited as fully paid-up’.</p> <p>(i) ‘Person’ shall include any corporation as well as individual.</p> <p>(j) ‘These presents’ or ‘Regulations’ shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.</p> <p>(k) ‘Section’ or ‘Sec.’ means Section of the Act.</p> <p>(l) Words importing the masculine gender shall include the feminine gender.</p> <p>(m) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.</p> <p>(n) ‘Special Resolution’ means special resolution as defined by Section 114 in the Act.</p> <p>(o) ‘The Office’ means the Registered Office for the time being of the Company.</p> <p>(p) ‘The Register’ means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.</p> <p>(q) ‘Proxy’ includes Attorney duly constituted under a Power of Attorney.</p>
	3.	<p>Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company</p>
	4.	<p>The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.</p>

	5.	<p>Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.</p> <p>Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.</p>
	6.	<p>The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares..</p>
	7.	<p>The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:</p> <p>I (a) . Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date</p> <p>(b). The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.</p> <p>(c). The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.</p> <p>(d). After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company</p> <p>II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.</p> <p>III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:</p> <p>(a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and</p> <p>(b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.</p>

	8.	(1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class. (2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.
Issue of further shares with disproportionate rights	9.	Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.
Not to issue shares with disproportionate rights	10.	The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares
Power to pay commission	11.	The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
Liability of joint holders of shares	12.	The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.
Trust not recognised	13.	Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.
Issue other than for cash	14.	(a). The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares. (b). As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.
Acceptance of shares	15.	An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.
Member's right to share certificates	16.	1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment: a. One certificate for all his shares; or b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, subdivision/ consolidation into marketable lots shall be done free of charge 2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete

		<p>and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.</p> <p>3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.</p>
One certificate for joint holders	17.	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.
Renewal of certificate	18.	If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses, as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.
	19.	For every certificate issued under the last preceding Article, no fee shall be charged by the Company
Splitting and consolidation of share certificate	20.	<p>The shares of the Company will be split up/consolidated in the following circumstances:</p> <p>(i) At the request of the member/s for split up of shares in marketable lot.</p> <p>(ii) At the request of the member/s for consolidation of fraction shares into marketable lot. Directors may issue new Certificate(s)</p>
Directors may issue new Certificate(s)	21.	Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.
Person by whom installments are payable	22.	If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.
Company's lien on shares	23.	The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.
As to enforcing lien by sale	24.	For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.
Authority to transfer	25.	a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.

		b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
Application of proceeds of sale	26.	The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.
Calls on Shares Calls	27.	Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.
When call deemed to have been made	28.	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.
Length of notice of call	29.	Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.
Sum payable in fixed installments to be deemed calls	30.	If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or instalment accordingly.
When interest on call or instalment payable	31.	If the sum payable in respect of any call or, instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall fall due, shall pay interest for the same at the rate decided by the Board, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.
Sums payable at fixed times to be treated as calls	32.	The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.
Payment of call-in advance	33.	The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the money so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.
Partial payment not to preclude forfeiture	34.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.
FORFEITURE OF SHARES If call or installment not paid, notice may be given	35.	If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such 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. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the

		surrender of any share liable to forfeiture and so far as the law permits of any other share.
Evidence action by Company against shareholders	36.	On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Form of notice	37.	The notice shall name a further day (not earlier than the expiration 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 shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.
If notice not complied with, shares may be forfeited	38.	If the requirements of any such notice as, aforementioned 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. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
Notice after forfeiture	39.	When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
Boards' right to dispose of forfeited shares or cancellation of forfeiture	40.	A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.
Liability after forfeiture	41.	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.
Effect of forfeiture	42.	The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
Evidence of forfeiture	43.	A duly verified declaration in writing that the declarant is a Director 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, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and 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.
Non-payment of sums payable at fixed times	44.	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
	45.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be

Validity of such sales		entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Transfer And Transmission Of Shares	46.	<p>Transfer</p> <p>a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.</p> <p>b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.</p> <p>Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.</p> <p>c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.</p> <p>d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.</p> <p>e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.</p>
Form of transfer	47.	Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.
Board's right to refuse to register	48.	<p>a. The Board, may, at its absolute discretion and without assigning any reason, decline to register</p> <ol style="list-style-type: none"> 1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or 2. Any transfer or transmission of shares on which the Company has a lien <p>a. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.</p> <p>b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.</p> <p>c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.</p> <p>d. The provisions of this clause shall apply to transfers of stock also.</p>
Further right of board of directors to refuse to register	49.	a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.

		<p>b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.</p> <p>c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.</p> <p>d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:</p> <p>i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.</p> <p>ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.</p> <p>iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.</p> <p>iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.</p> <p>v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.</p> <p>Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the</p>
Rights to shares on death of a member for transmission	50.	<p>a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.</p> <p>b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased. Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder. Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member. Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.</p>
Rights and liabilities of person	51.	<p>1. 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 be required by the Board and subject as herein, after provided elect either</p> <p>a. to be registered himself as a holder of the share or</p> <p>b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>2. 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.</p>
Notice by such a person of his election	52.	<p>a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p>

		<p>b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>c. 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 of transfer had been signed by that member.</p>
No transfer to infant, etc.	53.	No transfer shall be made to an infant or a person of unsound mind.
Endorsement of transfer and issue of certificate	54.	Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.
Custody of transfer	55.	The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.
Register of members	56.	<p>Register of members</p> <p>a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.</p> <p>Closure of Register of members</p> <p>b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time</p> <p>When instruments of transfer to be retained</p> <p>c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.</p>
Company's right to register transfer by apparent legal owner	57.	The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.
Alteration of Capital	58.	<p>Alteration and consolidation, sub-division and cancellation of shares</p> <p>a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:</p> <ol style="list-style-type: none"> 1. increase its share capital by such amount as it thinks expedient by issuing new shares; 2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; 3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination; 4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived. <p>5. a. Cancel shares which, at the date of passing of the resolution in that behalf,</p>

		<p>have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.</p> <p>b. The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.</p> <p>6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf</p>
Reduction of capital, etc. By company	59.	<p>The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as 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>
Surrender of shares	60.	The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.
Modification Of Rights	61.	<p>Power of modify shares</p> <p>The rights and privileges attached to each class of shares may be modified, commuted, affected, and abrogated in the manner provided in Section 48 of the Act.</p>
Set off of money due to shareholders	62.	Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.
Conversion Of Shares Into Stock	63.	<p>Conversion of shares</p> <p>The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.</p>
Transfer of stock	64.	The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose
Right of stockholders	65.	The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its 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.
Applicability of regulations to stock and stockholders	66.	Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.
Dematerialisation Of Securities	67.	<p>a) Definitions</p> <p>For the purpose of this Article:</p> <p>‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;</p> <p>‘SEBI’ means the Securities and Exchange Board of India;</p> <p>‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and</p> <p>‘Security’ means such security as may be specified by SEBI from time to time.</p> <p>b) Dematerialisation of securities</p>

	<p>Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.</p> <p>c) Options for investors Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.</p> <p>d) Securities in depositories to be in fungible form All securities held by a depository shall be dematerialised and be in fungible form Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</p> <p>e) Rights of depositories and beneficial owners: (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner. (ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it. (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.</p> <p>f) Service of documents Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>g) Transfer of securities Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p>h) Allotment of securities dealt with in a depository Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>i) Distinctive numbers of securities held in a depository Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.</p> <p>j) Register and Index of Beneficial owners The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.</p> <p>k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall</p>
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		not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.
General Meetings	68.	Annual general meeting The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act..
Extraordinary General Meeting	69.	Extraordinary General Meeting 1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit. Right to summon Extraordinary General Meeting 2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.
Extraordinary meeting by requisition	70.	a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition. b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office. c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists. d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition. e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Subclause (d) above, whichever is less..
Length of notice for calling meeting	71.	A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.
Accidental omission to give notice not to invalidate meeting	72.	The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.
Special business and statement to be annexed	73.	All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of

		<p>Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p> <p>Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.</p>
Quorum	74.	<p>The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:</p> <p>Number of members upto 1000: 5 members personally present Number of members 1000-5000: 15 members personally present Number of members more than 5000: 30 members personally present</p>
If quorum not present, when meeting to be dissolved and when to be adjourned	75.	<p>If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.</p>
Chairman of general meeting	76.	<p>The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.</p>
When chairman is absent	77.	<p>If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.</p>
Adjournment of meeting	78.	<p>The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>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. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.</p>
Questions at General Meeting how decided	79.	<p>At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution.</p>
Casting vote	80.	<p>In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.</p>
Taking of poll	81.	<p>If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken</p>
In what cases poll taken without adjournment	82.	<p>A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment</p>

		shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.
Votes	83.	<p>a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid- up Equity Capital of the Company.</p> <p>b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.</p> <p>c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.</p>
Business may proceed notwithstanding demand for poll	84.	A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
Joint holders	85.	In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
Member of unsound mind	86.	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.
No member entitled to vote while call due to company	87.	No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
Proxies permitted on polls	88.	On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.
Instrument of proxy	89.	<p>a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.</p> <p>b. A body corporate (whether a company within the meaning of this Act or not) may:</p> <ol style="list-style-type: none"> 1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company; 2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be. <p>c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.</p>
Instrument of proxy to be	90.	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority

deposited at the office		shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.
Validity of vote by proxy	91.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
Form of proxy	92.	Any instrument appointing a proxy may be a two-way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.
Directors	93.	Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15. The First directors of the Company are 1. ADITYA NIRANJAN AGARWAL 2. NIRANJAN DWARKAPRASAD AGARWAL
	94.	Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.
Qualification of directors	95.	Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.
Director's remuneration	96.	a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings. b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit. c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in subclause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors. d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.

Directors may act notwithstanding vacancy	97.	The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 119 below:
Chairman or vice-chairman of the board	98.	a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the Company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board. b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.
Casual vacancy	99.	If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.
Vacation of office by Directors	100.	The office of a Director shall be vacated if: 1. he is found to be unsound mind by a Court of competent jurisdiction; 2. he applies to be adjudicated as an insolvent; 3. he is an undischarged insolvent; 4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; 5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call; 6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force. 7. he has not complied with Subsection (3) of Section 152 8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years. 9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board; 10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184. 11. he becomes disqualified by an order of a court or the Tribunal 12. he is removed in pursuance of the provisions of the Act, 13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect: 1. for thirty days from the date of the adjudication, sentence or order; 2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or 3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.
Alternate directors	101.	(a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3months from India. (b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India. Independent Directors

		<p>(c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.</p> <p>(ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</p> <p>(iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall not be liable to retire by rotation.</p> <p>Women Director</p> <p>(d) The Directors shall appoint one women director as per the requirements of section 149 of the Act.</p> <p>Key Managerial Personnel</p> <p>(e) Subject to the provisions of the Act,</p> <p>(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;</p> <p>(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>(iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.</p>
Additional directors	102.	<p>The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed for the Board by the Articles. Any person so appointed as an Additional Director shall hold office up to the date of the next Annual General Meeting of the Company.</p> <p>Proportion of retirement by rotation</p> <p>a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.</p>
Debenture	103.	<p>Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and reappoint any Director so appointed. The Director appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.</p>
Corporation/nominee director	104.	<p>a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as “The Corporation”) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or instalments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as “Nominee Director(s)”) on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).</p> <p>b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors.</p>

		<p>Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.</p> <p>The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.</p> <p>The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.</p> <p>The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.</p> <p>Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.</p> <p>c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.</p>
Disclosure of interest of directors	105.	<p>a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest. Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.</p> <p>b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.</p>
Rights of Directors	106.	<p>Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and</p>

		privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.
Directors to comply with Section 184	107.	Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.
Directors power of contract with Company	108.	Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.
ROTATION OF DIRECTORS	109.	Rotation and retirement of directors At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.
Retiring directors eligible for re-election	110.	A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.
Which directors to retire	111.	The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.
Retiring directors to remain in office till successors are appointed	112.	Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.
Power of general meeting to increase or reduce number of directors	113.	Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.
Power to remove directors by ordinary resolution	114.	Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.
Rights of persons other than retiring directors to stand for directorships	115.	Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".
Register of directors and KMP and their shareholding	116	The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

Business to be carried on	117.	The business of the Company shall be carried on by the Board of Directors.
Meeting of the board	118.	The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.
Director may summon meeting	119.	A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.
Question how decided	120.	a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board. b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.
Right of continuing directors when there is no quorum	121.	The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.
Quorum	122.	The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.
Election of chairman to the board	123.	If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.
Power to appoint committees and to delegate	124.	Power to appoint committees and to delegate a. The Board may, from time to time, and at any time and in compliance with provisions of the act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit. Delegation of powers b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Proceedings of committee	125.	The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.

Election of chairman of the committee	126.	<p>a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.</p> <p>b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two</p>
Question how determined	127.	<p>a. A Committee may meet and adjourn as it thinks proper.</p> <p>b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee</p>
Acts done by board or committee valid, notwithstanding defective appointment, etc	128.	All acts done by any meeting of the Board or 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 any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.
Resolution by circulation	129.	Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.
Powers And Duties Of Directors	130.	<p>General powers of company vested in directors</p> <p>The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.</p>
Attorney of the company	131.	The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.
Power to authorise sub delegation	132.	The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.
Directors' duty to comply with the provisions of the act	133.	The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.
Special power of directors	134.	In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is

		hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.
To acquire and dispose of property and rights	135.	<p>a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.</p> <p>To pay for property in debentures, etc.</p> <p>b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p>To secure contracts by mortgages</p> <p>c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.</p> <p>To appoint officers, etc.</p> <p>d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.</p> <p>e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.</p> <p>To refer to arbitration</p> <p>f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.</p> <p>To give receipt</p> <p>g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.</p> <p>To act in matters of bankrupts and insolvents</p> <p>h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.</p> <p>To give security by way of indemnity</p> <p>i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers covenants and provisions as shall be agreed upon.</p> <p>To give commission</p> <p>j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.</p> <p>To make contracts etc.</p> <p>k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.</p> <p>To make bye-laws</p> <p>l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.</p> <p>To set aside profits for provided fund</p> <p>m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.</p>

		<p>To make and alter rules</p> <p>n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.</p> <p>o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited</p>
Managing Director	136.	<p>a. Subject to the provisions of Section 196 ,197, 2(94), 203 of the Act, the following provisions shall apply:</p> <p>b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.</p> <p>c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.</p> <p>d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.</p> <p>e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.</p> <p>f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 137 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.</p>
Whole-time Director	137.	<p>1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Wholetime Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.</p> <p>2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.</p>
Secretary	138.	<p>The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards</p>

		remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.
Powers as to commencement of business	139.	Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.
Delegation of power	140.	Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.
Borrowing Borrowing Powers	141.	<p>a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.</p> <p>Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.</p>
Assignment of debentures	142.	Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
Terms of debenture issue	143.	<p>a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p> <p>b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the</p>

		<p>share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or</p> <p>Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.</p> <p>c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.</p> <p>d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.</p> <p>e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.</p>
Charge on uncalled capital	144.	Any uncalled capital of the Company may be included in or charged by mortgage or other security.
Subsequent assignees of uncalled capital	145.	Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.
Charge in favour of director by way of indemnity	146.	If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.
Powers to be exercised by Board only at meeting	147.	<p>a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.</p> <p>(a) to make calls on shareholders in respect of money unpaid on their shares;</p> <p>(b) to authorise buy-back of securities under section 68;</p> <p>(c) to issue securities, including debentures, whether in or outside India;</p> <p>(d) to borrow monies;</p> <p>(e) to invest the funds of the company;</p> <p>(f) to grant loans or give guarantee or provide security in respect of loans;</p> <p>(g) to approve financial statement and the Board's report;</p> <p>(h) to diversify the business of the company;</p> <p>(i) to approve amalgamation, merger or reconstruction;</p> <p>(j) to take over a company or acquire a controlling or substantial stake in another company;</p>

		<p>(k) to make political contributions;</p> <p>(l) to appoint or remove key managerial personnel (KMP);</p> <p>(m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>(n) to appoint internal auditors and secretarial auditor;</p> <p>(o) to take note of the disclosure of director's interest and shareholding;</p> <p>(p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;</p> <p>(q) to invite or accept or renew public deposits and related matters;</p> <p>(r) to review or change the terms and conditions of public deposit;</p> <p>(s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>(t) such other business as may be prescribed by the Act.</p> <p>b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.</p> <p>c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.</p> <p>d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.</p> <p>e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases</p>
Register of mortgage to be kept	148.	The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.
Register of holders of debentures	149.	Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.
Inspection of copies of and Register of Mortgages	150.	The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.
Supplying copies of register of holder of debentures	151.	The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.
Right of holders of debentures as to Financial Statements	152.	Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.
Minutes	153.	<p>a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.</p> <p>b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person</p>

		irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.
Managing Director's power to be exercised severally	154.	All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.
Manager	155.	Manager Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.
Common Seal	156.	The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors
Affixture of common seal	157.	The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by two Directors or a Director and the Company Secretary or any other person authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.
Dividends And Reserves	158.	Rights to dividend The profits of the Company, subject to any special rights relating thereto created or authorized to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.
Declaration of dividends	159	The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
What to be deemed net profits	160.	The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.
Interim dividend	161.	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.
Dividends to be paid out of profits only	162.	No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.
Establish reserve funds	163.	a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.
Method of payment of dividend	164.	a. Subject to the rights of persons, if any, entitled to share 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. b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share. c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing

		that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.
Deduction of arrears	165.	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 in relation to the shares of the Company or otherwise.
Adjustment of dividend against call	166.	Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.
Payment by cheque or warrant	167.	a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct. b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.
Retention in certain cases	168.	The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same. Receipt of joint holders (A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act: a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.
Deduction of arrears	169.	Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.
Notice of dividends	170.	Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
Dividend not to bear interest	171.	No dividend shall bear interest against the Company.
Unclaimed dividend	172.	No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.
Transfer of share not to pass prior dividend	173.	Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
Capitalisation of profits	174.	Capitalisation of profits a. The Company in General Meeting, may on the recommendation of the Board, resolve: 1. That the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and

		<p>2. That such sum be accordingly set free for distribution in the manner specified in Sub- clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.</p> <p>b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Sub clause (3) either in or towards:</p> <ol style="list-style-type: none"> 1. Paying up any amount for the time being unpaid on any share held by such members respectively; 2. Paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or 3. Partly in the way specified in Sub-clause (i) and partly in that specified in Subclause (ii). <p>c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.</p> <p>d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.</p>
Powers of directors for declaration of bonus	175.	<p>a. whenever such a resolution as aforesaid shall have been passed, the Board shall:</p> <ol style="list-style-type: none"> 1. Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and 2. Generally do all acts and things required to give effect thereto. <p>b. The Board shall have full power:</p> <ol style="list-style-type: none"> 1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also; 2. 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 the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares. <p>c. Any agreement made under such authority shall be effective and binding on all such members.</p>
Accounts Books of account to be kept	176.	<p>a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.</p> <p>b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.</p> <p>c. The books of accounts shall be open to inspection by any Director during business hours.</p>
Where books of account to be kept	177.	The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.
Inspection by members	178.	The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.
Statement of account to be furnished to general meeting	179.	The Board shall lay before such Annual General Meeting , financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.
Financial statements	180.	Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

Authentication of financial statements	181.	<p>a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.</p> <p>b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.</p>
Auditors report to be annexed	182.	The Auditor's Report shall be attached to the financial statements
Board's report to be attached to financial statements	183.	<p>a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.</p> <p>b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.</p> <p>c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.</p> <p>d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.</p> <p>e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.</p>
Right of member to copies of financial statements	184.	The Company shall comply with the requirements of Section 136.
Annual returns	185.	The Company shall make the requisite annual return in accordance with Section 92 of the Act.
Audit	186.	<p>Accounts to be audited</p> <p>a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.</p> <p>b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.</p> <p>c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.</p> <p>d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.</p> <p>e. The Company shall, within seven days of the Central Government's power under Subclause (d) becoming exercisable, give notice of that fact to that Government.</p> <p>f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>2. Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the</p>

		<p>Company, not less than 14 days before the date of the meeting; and 3. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.</p> <p>g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.</p> <p>h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Subclause shall also apply to a resolution that retiring Auditor shall be reappointed.</p> <p>i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.</p> <p>j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.</p>
Audit of branch offices	187.	The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.
Remuneration of auditors	188.	The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.
Rights and duties of Auditors	189.	<p>a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.</p> <p>b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.</p> <p>c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:</p> <ol style="list-style-type: none"> 1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and 2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year. <p>d. The Auditor's Report shall also state:</p> <ol style="list-style-type: none"> (a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements; (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him; (c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that subsection and the manner in which he has dealt with it in preparing his report;

		<p>(d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;</p> <p>(e) whether, in his opinion, the financial statements comply with the accounting standards;</p> <p>(f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;</p> <p>(g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;</p> <p>(h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;</p> <p>(i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;</p> <p>(j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;</p> <p>(k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;</p> <p>(l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.</p> <p>e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) thereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.</p> <p>f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.</p>
Accounts whether audited and approved to be conclusive	190.	Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.
Service of documents on the company	191.	A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.
How documents to be served to members	192.	<p>a. A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.</p> <p>b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.</p> <p>c. Where a document is sent by post:</p> <p>i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;</p> <p>a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and</p> <p>b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.</p>

Members to notify address in India	193.	Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.
Service on members having no registered address in India	194.	If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.
Service on persons acquiring shares on death or insolvency of members	195.	A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.
Notice valid though member deceased	196.	Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.
Persons entitled to notice of general meeting	197.	Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to; (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member; (b) the auditor or auditors of the company; and (c) every director of the company. Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.
Advertisement	198.	a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated. b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.
Transference, etc. Bound by prior notices	199.	Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.
How notice to be signed	200.	Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.
Authentication of Documents	201.	Authentication of document and proceeding Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.
Winding up	202.	Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities paripassu and, subject to such application, shall, unless the articles otherwise provide,

		be distributed among the members according to their rights and interests in the Company.
Division of assets of the company in specie among members	203.	If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.
Indemnity And Responsibility	204.	Directors' and others' right to indemnity a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee. b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.
	205.	Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.
Secrecy Clause	206.	a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public. b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by

		such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.
Registers, Inspection And Copies Thereof	207.	<p>a. Any Director or Member or person can inspect the statutory registers maintained by the Company, which may be available for inspection of such Director or Member or person under provisions of the act by the Company, provided he gives fifteen days notice to the Company about his intention to do so.</p> <p>b. Any, Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.</p>
General Authority	208.	Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this article.

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 filing. 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 57 Ashra Industrial Estate B/H Mahalaxmi Fabrics Near Narol Cross Road Ahmedabad Gujarat 382405, India 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.

1. Material contracts for the Issue

1. Issue Agreement dated September 25, 2023 between our Company and the Lead Manager.
2. Registrar Agreement dated September 25, 2023 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated September 25, 2023 amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated September 25, 2023 amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated [●] amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement dated November 22, 2018 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
7. Tripartite agreement dated November 19, 2018 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

8. 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 September 01, 2023 in relation to the Issue and other related matters.
3. Shareholders' resolution dated September 25, 2023 in relation to the Issue and other related matters.
4. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory & Peer Reviewed Auditor, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Underwriters to the Issue, Bankers to our Company, Banker to our Issue and Market Maker to include their names in this Draft Prospectus and to acting their respective capacities.
5. Peer Review Auditors Report dated September 05, 2023 on Restated Financial Statements of our Company for year ended on March 31, 2023.
6. The Report dated September 26, 2023 from the Statutory Auditors of our Company, confirming the Statement of Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Prospectus.
7. Audit Committees Resolution dated September 25, 2023 approving the KPI and Certificate from the Peer Review Auditor of the Company M/s. Piyush Kothari and Associates, Chartered Accountants dated September 26, 2023 with respect to the KPIs disclosed in this Draft Prospectus Copy of Approval dated July 18, 2023 from the SME
8. Copy of Approval dated [●] from the Emerge Platform of NSE (NSE Emerge) to use their name in the prospectus for listing of Equity Shares.
9. Due diligence certificate submitted to NSE Limited dated September 28, 2023 from 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. Niranjana Agarwal	Managing Director	Sd/-
Mr. Aditya Agarwal	Wholesale Director	Sd/-
Mrs. Sunitadevi Agarwal	Non-Executive Director	Sd/-
Mr. Bharatkumar Chaudhary	Independent Director	Sd/-
Mr. Ankit Kumar Agrawal	Independent Director	Sd/-
Ms. Drashti Solanki	Independent Director	Sd/-

Signed by:

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

Place: Ahmedabad

Date: September 29, 2023