





Draft Prospectus  
Dated: February 07, 2023  
Please read section 26 and 32 of the Companies Act, 2013  
Fixed Price Issue

# Vivaa

Vivaa Tradecom Limited  
CIN: U17120GJ2010PLC060395  
Incorporated on April 23, 2010 at Ahmedabad



| REGISTER OFFICE   |   | CONTACT PERSON  |  |
|---|---|---|--|
| 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad – 382405  |   | Aditi Garg, Company Secretary and Compliance Officer  |  |
| EMAIL   | TELEPHONE NO.   | WEBSITE   |  |
| account@vivaatrade.com  | +91 99248 22188   | www.vivaatrade.com  |  |
| OUR PROMOTER OF THE COMPANY   |   |   |  |
| Mitesh Adani  |   |   |  |
| Type  | Fresh Issue Size (₹In Lakhs)  | Eligibility 229(1) / 229(2) & Share Reservation among NII & RII   |  |
| Fresh Issue   | ₹ 798.66 Lakhs  | The Issue is being made pursuant to Regulation 229(1) of SEBI (ICDR) Regulations. As the Company's post issue paid up capital is less than or equal to ten crore rupees |  |
| RISK IN RELATION TO THE FIRST ISSUE   |   |   |  |
| This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹10.00 per equity shares and the issue price is 5.1 times of the face value. The issue price (is determined by our company in consultation with the lead manager) as stated in the chapter titled on “Basis for Issue Price” beginning on page no. 55 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 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.17 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 BSE Limited (“BSE SME”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In Principal Approval Letter dated [●] from BSE Limited (BSE) for using its name in this offer document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited (“BSE”).   |   |   |  |
| LEAD MANAGER TO THE ISSUE   |   | REGISTRAR TO THE ISSUE  |  |
| <br><b>INTERACTIVE FINANCIAL SERVICES LIMITED</b><br><b>Address:</b> 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad – 380 009, Gujarat, India<br><b>Tel No.:</b> 079 46019796<br><b>(M)</b> +91-9898055647<br><b>Web Site:</b> <a href="http://www.ifnservices.in">www.ifnservices.in</a><br><b>Email:</b> <a href="mailto:mbd@ifnservices.in">mbd@ifnservices.in</a><br><b>Investor Grievance Email:</b> <a href="mailto:info@ifnservices.in">info@ifnservices.in</a><br><b>Contact Person:</b> Pradip Sandhir<br><b>SEBI Reg. No.:</b> INM000012856   | <br><b>BIGSHARE SERVICES PRIVATE LIMITED</b><br><b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093<br><b>Tel No.:</b> +91 22-62638200<br><b>Fax No.:</b> +91 22-62638299<br><b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a><br><b>E-Mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a><br><b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a><br><b>Contact Person:</b> Aniket Chindarkar<br><b>SEBI Reg. No.:</b> INR000001385 |   |  |
| ISSUE PROGRAMME   |   |   |  |
| ISSUE OPENS ON: [●]   |   | ISSUE CLOSES ON: [●]  |  |



**Vivaa Tradecom Limited**  
CIN: U17120GJ2010PLC060395

Our Company was originally incorporated as “Anantnath Infracon Private Limited” under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 23, 2010 bearing Corporate Identification Number U70101GJ2010PTC060395 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of our company has changed from “Anantnath Infracon Private Limited” to “Vivaa Tradecom Private Limited” vide Fresh Certificate of Incorporation dated September 06, 2012 bearing Corporate Identification Number U17120GJ2010PTC060395. Further, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 02, 2022 and consequently the name of our Company was changed to “Vivaa Tradecom Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated December 14, 2022. The CIN of the Company is U17120GJ2010PLC060395.

**Registered office:** 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad – 382405  
**Tel No.:** +91 9924822188; **Website:** www.vivaatrade.com; **E-Mail:** [account@vivaatrade.com](mailto:account@vivaatrade.com)  
**Contact Person:** Aditi Garg, Company Secretary and Compliance Officer

|  |  |
|--|--|
| <b>PROMOTER OF THE COMPANY: MITESH ADANI</b>   |  |
| <b>THE ISSUE</b>   |  |
| <p><b>INITIAL PUBLIC ISSUE OF 15,66,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF VIVAA TRADECOM LIMITED (“VTL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹51/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹41/- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹798.66 LACS (“THE ISSUE”), OF WHICH 82,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ 51/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹41/- PER EQUITY SHARE AGGREGATING TO ₹ 41.82 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 14,84,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹51/- PER EQUITY SHARE AGGREGATING TO ₹ 756.84 LACS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 39.77% AND 37.69% 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. 158 OF THIS DRAFT PROSPECTUS.</b></p> |  |
| <b>THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 5.1 TIMES OF THE FACE VALUE</b>   |  |
| <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 165 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 165 of this Draft Prospectus.</p>   |  |
| <b>RISK IN RELATION TO THE FIRST ISSUE</b>   |  |
| <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 5.1 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. 55 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>  |  |
| <b>GENERAL RISKS</b>   |  |
| <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.17 of this Draft Prospectus.</p>  |  |
| <b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>  |  |
| <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>   |  |
| <b>LISTING</b>   |  |
| <p>The Equity Shares offered through the Draft Prospectus are proposed to be listed on the BSESME Platform. In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited (“BSE”).</p>  |  |
| <b>LEAD MANAGER</b>  | <b>REGISTRAR TO THE ISSUE</b>  |
|  <p><b>INTERACTIVE FINANCIAL SERVICES LIMITED</b><br/><b>Address:</b> 612, 6th Floor, Shree Balaji Heights, Kokilaben Vyas Marg, Ellisbridge, Ahmedabad – 380 009, Gujarat, India<br/><b>Tel No.:</b> 079 46019796<br/><b>(M)</b> +91-9898055647<br/><b>Web Site :</b> <a href="http://www.ifinservices.in">www.ifinservices.in</a><br/><b>Email :</b> <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a><br/><b>Investor Grievance Email:</b> <a href="mailto:info@ifinservices.in">info@ifinservices.in</a><br/><b>Contact Person:</b> Pradip Sandhir<br/><b>SEBI Reg. No.:</b> INM000012856</p>  |  <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b><br/><b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093<br/><b>Tel No:</b> +91 22-62638200<br/><b>Fax No</b> +91 22-62638299<br/><b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a><br/><b>E-Mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a><br/><b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a><br/><b>Contact Person:</b> Aniket Chindarkar<br/><b>SEBI Reg. No.:</b> INR000001385</p> |
| <b>ISSUE PROGRAMME</b>   |  |
| <b>ISSUE OPENS ON: [●]</b>   | <b>ISSUE CLOSES ON: [●]</b>  |

| Contents  | Page No.   |
|---|------------|
| <b>Cover Page</b>   |            |
| <b>Section I – General</b>  |            |
| Definitions and Abbreviations   | 1          |
| General Terms   | 1          |
| Company Related Terms   | 1          |
| Issue Related Terms   | 2          |
| Technical And Industry Related Terms  | 7          |
| Conventional Terms and Abbreviations  | 7          |
| Forward Looking Statements  | 11         |
| Presentation of Financial, Industry and Market Data                                       | 12         |
| Summary of Issue Documents  | 13         |
| <b>Section II – Risk Factors</b>  | <b>17</b>  |
| <b>Section III – Introduction</b>   |            |
| The Issue   | 26         |
| Summary of Our Financial Information  | 27         |
| General Information   | 31         |
| Capital Structure   | 40         |
| <b>Section IV – Particulars of the Issue</b>  |            |
| Objects of the Issue  | 50         |
| Basis For Issue Price   | 55         |
| Statement of Tax Benefits   | 58         |
| <b>Section V – About Company</b>  |            |
| Industry Overview   | 61         |
| Business Overview   | 67         |
| Key Industry Regulations and Policies   | 75         |
| History and Certain Corporate Matters   | 82         |
| Our Management  | 85         |
| Our Promoters and Promoter Group  | 95         |
| Dividend Policy   | 98         |
| <b>Section VI – Financial Information</b>   |            |
| Auditors Report and Financial Information Of Our Company                                  | 99         |
| Management’s Discussion and Analysis of Financial Condition and Results of Operations     | 136        |
| Other Financial Information   | 142        |
| <b>Section VII – Legal and Other Regulatory Information</b>                               |            |
| Outstanding Litigation and Material Developments  | 143        |
| Government and Other Statutory Approvals  | 146        |
| Financial Information of Our Group Companies  | 148        |
| Other Regulatory and Statutory Disclosures  | 149        |
| <b>Section VIII – Issue Related Information</b>   |            |
| Terms of The Issue  | 158        |
| Issue Structure   | 165        |
| Issue Procedure   | 167        |
| Restrictions on Foreign Ownership of Indian Securities                                    | 193        |
| <b>Section IX – Description of Equity Shares and Terms of the Articles of Association</b> |            |
| Main Provisions of Articles of Association  | 195        |
| <b>Section X – Other Information</b>  |            |
| Material Contracts and Documents for Inspection   | 223        |
| <b>Section XI – Declaration</b>   | <b>224</b> |

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Prospectus, but not defined herein shall have the meaning ascribed to such terms under SEBI ICDR Regulations, 2018 the Companies Act, 2013 the SCRA, the Depositories Act, 1996 and the rules and regulations made there under.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “Statement of Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigation and Material Developments” and section titled “Main Provisions of Articles of Association” beginning on page nos. 58, 99 and 143 respectively, shall have the meanings ascribed to such terms in the respective sections.

### GENERAL TERMS

| Term   | Description  |
|--|--|
| “VTL”, “Vivaa”, “Vivaa Tradecom” “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer” | Vivaa Tradecom Limited, a public limited company incorporated under the Companies Act, 2013 and having Registered office at Office 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad – 382405, Gujarat, India. |
| Promoter   | Mitesh Adani   |
| 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. Shreekant S. Shah & Co., 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 85 of this Draft Prospectus. |
| Board of Directors / Board               | The Board of Directors of our Company or a committee constituted thereof   |
| Company Secretary and Compliance Officer | Company secretary and Compliance officer of our Company being Aditi Garg appointed in accordance with the requirements of the SEBI ICDR Regulations.   |
| Chief Financial Officer/ CFO             | The Chief Financial Officer of our Company, being Jaikishan Sajani   |
| Companies Act                            | Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.   |
| CIN                                      | Corporate Identification Number  |
| CMD                                      | Chairman and Managing Director   |
| Depositories Act                         | The Depositories Act, 1996, as amended from time to time   |
| Director(s)                              | Director(s) of Vivaa Tradecom 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 15,66,000 Equity Shares at a price of Rs.51 per equity share aggregating to Rs. 798.66 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 148of 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 85 of this Draft Prospectus  |
| Indian GAAP   | Generally Accepted Accounting Principles in India  |
| ISIN  | International Securities Identification Number is [●]  |
| IT  | Information Technology   |
| Key Managerial Personnel / Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page no. 85 of this Draft Prospectus   |
| MD  | Managing Director  |
| 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 85of this Draft Prospectus.  |
| Registered Office                                   | The Registered office of our Company, located at Office 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad – 382405, Gujarat, 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 March 31, 2020, 2021, 2022 and September 30, 2022 which comprises of the restated audited balance sheet, restated audited statement of profit and loss and the restated audited cash flow statement, together with the annexures and notes thereto disclosed in chapter titled “Restated Financial Statements” on page 99 of this Draft Prospectus. |
| Peer Review Auditor                                 | Independent Auditor having a valid Peer Review certificate in our case being M/s D G M S & Co., Chartered Accountants  |
| PLC   | Public Limited Company   |
| PTC   | Private Limited Company  |
| Stakeholders ‘Relationship Committee                | The Stakeholders Relationship Committee of the Board of Directors constituted as the Company’s Stakeholders ‘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 85 of this Draft Prospectus.  |

#### 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      | 2,000 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. 190 of this Draft Prospectus   |
| Bankers to our Company                                    | HDFC Bank Ltd  |
| Banker to the Issue / Refund Banker / Public Issue Bank   | ICICI Bank Limited   |
| 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 Centres  | Broker Centres notified by Stock Exchange where bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers, are available on the website of the BSE.  |
| 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 <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> 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   |
| Designated CDP Locations                                  | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.<br>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. <a href="http://www.bseindia.com">www.bseindia.com</a> . |
| Designated Date   | The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Issue   |
| 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           | Beeline Broking 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.<br>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., <a href="http://www.bseindia.com">www.bseindia.com</a>  |
| Designated SCSB Branches          | Such Branches of the SCSBs which shall collect the ASBA Forms used by the applicant, as list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=35</a>  |
| Designated Stock Exchange         | SME Platform of BSE Limited (BSE SME)  |
| Draft Prospectus                  | This Draft Prospectus dated February 07, 2023 filed with the SME Platform of BSE, 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 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 |
| 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 ICICI Bank Limited.  |
| 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 167 of this Draft Prospectus   |
| Issue Agreement                   | The agreement dated January 31, 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.   |

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| IPO  | Initial Public Offering  |
| Issue / Issue Size / Public Issue                                | The Public Issue of 15,66,000 Equity Shares of Face Value of ₹ 10 each at ₹51 (including premium of ₹41) per Equity Share aggregating to ₹ 798.66 Lacs by Vivaa Tradecom Limited.  |
| Issue Price  | The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹ 51  |
| 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  | The Listing Agreement to be signed between our Company and SME Platform of BSE Limited (BSE SME)   |
| Market Making Agreement  | The Market Making Agreement dated January 31, 2023 between our Company, Lead Manager and Market Maker  |
| Market Maker Reservation Portion                                 | The reserved portion of 82,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at a price of ₹51.00/- per Equity Share including a share premium of ₹ 41/- per Equity Share aggregating to ₹ 41.82 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 14,84,000 Equity Shares of ₹ 10 each at ₹51 per Equity Share aggregating to ₹ 756.84 Lacs by Vivaa Tradecom 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 50 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   |
| 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 BSE Limited (BSE SME) 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 January 31, 2023 entered between our Company and the   |



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|   | 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 Bidders can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date  |
| R & D                                       | Research and Development  |
| SCSB  | A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html</a> Intermediaries.  |
| SME Platform of BSE                         | The SME platform of BSE, approved by SEBI as an SME Exchange 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 ICICI Bank Limited.   |
| 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 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  |
| Underwriter            | Underwriter to the issue are Interactive Financial Services Limited.  |
| Underwriting Agreement | The Agreement entered into between the Underwriters and our Company dated January 31, 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           | 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.<br>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. |

#### TECHNICAL AND INDUSTRY RELATED TERMS

| Term    | Description  |
|---------|--|
| BCFRL   | Bella Casa Fashion & Retail Ltd  |
| CAD     | Computer-Aided Design  |
| CAM     | Computer-aided manufacturing   |
| CII     | Confederation of Indian Industries                                       |
| COCP    | Cotton Production and Consumption  |
| COEK    | Center of Excellence for Khadi   |
| ERP     | Enterprise resource planning   |
| FMCG    | Fast-moving consumer goods   |
| GCC     | Gulf Cooperation Council   |
| HMA     | Handloom Marketing Assistance  |
| ICAC    | International Cotton Advisory Committee                                  |
| ICIL    | Indo Count Industries Ltd  |
| IMF     | International Monetary Fund  |
| KGS     | Kilograms  |
| KVIC    | Khadi and Village Industries Commission                                  |
| MTRS    | Meters   |
| MHHDC   | Manipur Handloom & Handicrafts Development Corporation Limited           |
| MMF     | Man-Made Fabrics   |
| NOS     | Numbers  |
| NIFT    | National Institute of Fashion Technology                                 |
| NHDP    | National Handloom Development Programme                                  |
| PPE     | Personal Protective Equipment  |
| PICS    | Pieces   |
| SQ.MTRS | Square Meters  |
| SIPCOT  | State Industries Promotion Corporation of Tamil Nadu Ltd                 |
| SAMARTH | Scheme For Capacity Building In Textile Sector                           |
| SVPISTM | Sardar Vallabhbhai Patel International School of Textiles and Management |
| SUSTEX  | Sustainable Textiles for Sustainable Development                         |
| WESP    | World Economic Situation and Prospects                                   |
| WEO     | World Economic Outlook   |

#### 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   |
| AO                              | Assessing Officer  |
| 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   |
| 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  |
| CRPC                            | The Code of Criminal Procedure, 1973   |
| CPC                             | Code of Civil Procedure, 1908  |
| 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   |
| 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  |

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|-------------------------------|--|
| 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   |
| IEC                           | Import Export Code   |
| ICAI                          | Institute of Chartered Accountants of India  |
| I.T. Act                      | Income Tax Act, 1961, as amended from time to time   |
| Indian GAAP                   | Generally Accepted Accounting Principles in India  |
| Rs, Rupees or INR             | 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  |
| Mn                            | Million  |
| 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   |
| 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. |
| OCI                           | Overseas Citizen of India  |
| 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   |

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| 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 BSE Limited   |
| Stamp Act  | The Indian Stamp Act, 1899, as amended from time to time  |
| State Government   | The Government of a State of India  |
| Stock Exchanges  | Unless the context requires otherwise, refers to, the BSE Limited   |
| STT  | Securities Transaction Tax  |
| TAN  | Tax Deduction Account Number  |
| TDS  | Tax Deducted at Source  |
| TIN  | Tax payer Identification Number   |
| UIN  | Unique Identification Number  |
| U.S. GAAP  | Generally accepted accounting principles in the United States of America.   |
| VCFs   | Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations. |
| YOY  | Year on Year  |

## FORWARD LOOKING STATEMENTS

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

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

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

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

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages nos. 17, 67 and 136 of this Draft Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, the Directors, the LM, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

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

### Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our audited financial statements for the year ended March 31, 2022, 2021, 2020 and up to September 30, 2022 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in this Draft Prospectus, and set out in the section titled 'Restated Financial Information beginning on page no. 99 of this draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In this Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

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

Any percentage amounts, as set forth in the sections / chapters titled 'Risk Factors', 'Business Overview' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 17, 67 and 136 respectively of this Draft Prospectus and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

### Industry and Market Data

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

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

### Currency and units of presentation

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

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

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

## SUMMARY OF ISSUE DOCUMENT

### SUMMARY OF BUSINESS

The Company is engaged in the manufacturing as well as trading of Cloths and Garments. We were selling readymade garments to various reputed clients on Pan India basis. Lifestyle International Pvt. Ltd., Aditya Birla Fashion and Retail Ltd., Lajja Polyfab Pvt. Ltd., Nandan Denim Limited, Bajaj Impex, Reliance Retailes Limited etc were the some of our reputed clients. Denim jeans garments and denim cloths was one of our most traded segment. We are directly purchasing readymade garments and cotton and Jeans garments from the market and sale it to our customers. From April 2022 our major business is with the Ahmedabad based buyer and seller. In most of the cases our purchases are based on the order received by us from our clients, however sometimes, looking to the market supply and demand position, we purchase and store the garments and cloths in view get better margin. He has gained rich knowledge and knows all the intricacies of the trading business. Generally, we are purchasing our trading materials above 100 days credit and we are also selling it to our customers above 100 days credit. Our major trading activities are now a day is concentrated within the Gujarat.

For more details, please refer chapter titled “Business Overview” on page 67 of this Draft Prospectus.

### SUMMARY OF INDUSTRY

India is among the top three nations in the world which are leading the global renewable energy growth. India added 10 GW of solar and wind capacity in the first nine months of 2021. Sustainable Development Goal 3.0 report is released by NITI Aayog, GoI. India's overall score improved by six points, from 60 in 2019 to 66 in 2020-21, across all sustainable development targets. India's Goods and Services Tax (GST) revenue posted another strong month, rising 13% from a year ago to Rs. 129780 crores in December 2021 and all time higher Rs. 1.40 lakh crore in January 2022, indicating the rapid economic recovery after the second wave. According to Economic Survey-2022, Indian economy is in a good position to witness GDP growth of 8.0-8.5 percent in the year 2022-23. The Reserve Bank of India has retained its growth forecast at 9.5% for financial year 2021-22 while revising down its inflation forecast to 5.3%. The International Monetary Fund (IMF) has retained India's GDP growth projections for the financial year 2021-22 at 9.5% and forecasts 8.5% expansion the next year, retaining the fastest growing major economy tag.

For more details, please refer chapter titled “Industry Overview” on page 61 of this Draft Prospectus.

### PROMOTER

The Promoter of our Company are Mr. Mitesh Adani.

For detailed information please refer chapter titled, “Our Promoters and Promoter Group” on page number 95 of this Draft Prospectus.

### ISSUE SIZE

Initial Public Issue of 15,66,000 Equity Shares of face value of ₹10/- each of Vivaa Tradecom Limited (“VTL” or the “Company” or the “Issuer”) for cash at a price of ₹51/- per Equity Share including a share premium of ₹41/- per equity share (the “issue price”) aggregating to ₹798.66 lacs (“the issue”), of which 82,000 Equity Shares of face value of ₹10/- each will for cash at a price of ₹ 51/- per Equity Share including a share premium of ₹41/- per equity share aggregating to ₹41.82 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 14,84,000 Equity Shares of face value of ₹10/- each at a price of ₹51/- per equity share aggregating to ₹ 756.84 lacs is herein after referred to as the “Net Issue”. The issue and the net issue will constitute 39.77 % and 37.69% 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. 158 of this Draft Prospectus.

### OBJECTS OF THE ISSUE

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

#### Net Proceeds



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

| Sr. No.                          | Particulars                   | Estimated Amount (₹ In lakhs) |
|----------------------------------|-------------------------------|-------------------------------|
| 1.                               | Gross proceeds from the issue | 798.66                        |
| 2.                               | Less: Issue related expenses  | 108.66                        |
| <b>Net proceeds of the issue</b> |                               | <b>690.00</b>                 |

Requirement of funds and utilization of Net Proceeds

| Sr. No.                                  | Particulars                           | Estimated Amount (₹ In lakhs) |
|--|---------------------------------------|-------------------------------|
| 1.                                       | Long term Working capital requirement | 518.00                        |
| 2.                                       | General corporate purposes            | 172.00                        |
| <b>Total utilization of net proceeds</b> |                                       | <b>690.00</b>                 |

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 |
| <b>(i) Promoter</b>        |                       |                     |                          |                     |                          |
| 1.                         | Mitesh Adani          | 1158465             | 48.85                    | 1158465             | 29.42                    |
| <b>TOTAL (A)</b>           |                       | <b>1158465</b>      | <b>48.85</b>             | <b>1158465</b>      | <b>29.42</b>             |
| <b>(ii) Promoter Group</b> |                       |                     |                          |                     |                          |
| 2.                         | Yash Adani            | 27285               | 1.15                     | 27285               | 0.69                     |
| <b>TOTAL (B)</b>           |                       | <b>27285</b>        | <b>1.15</b>              | <b>27285</b>        | <b>0.69</b>              |
| <b>(iii) Public</b>        |                       |                     |                          |                     |                          |
| 3.                         | Niranjan Jain         | 344250              | 14.52                    | 344250              | 8.74                     |
| 4.                         | Sangita Jain          | 51000               | 2.15                     | 51000               | 1.30                     |
| 5.                         | Dineshsingh Kshatriya | 344250              | 14.52                    | 344250              | 8.74                     |
| 6.                         | Sarojsingh Kshatriya  | 51000               | 2.15                     | 51000               | 1.30                     |
| 7.                         | Jaikishan Sajnani     | 255000              | 10.75                    | 255000              | 6.48                     |
| 8.                         | Veena Sajnani         | 140250              | 5.91                     | 140250              | 3.56                     |
|                            | IPO                   | -                   |                          | 1566000             | 39.77                    |
| <b>TOTAL (C)</b>           |                       | <b>1185750</b>      | <b>50.00</b>             | <b>2751750</b>      | <b>69.89</b>             |
| <b>TOTAL (A+B+C)</b>       |                       | <b>2371500</b>      | <b>100.00</b>            | <b>3937500</b>      | <b>100.00</b>            |

SUMMARY OF FINANCIAL INFORMATION

| Particulars                                       | For the Period ended on September 30, 2022 | For the Year ended on March 31, 2022 | For the Year ended on March 31, 2021 | For the Year ended on March 31, 2020 |
|---|--|--------------------------------------|--------------------------------------|--------------------------------------|
| Share Capital (₹ in Lakhs)                        | 2.33                                       | 2.33                                 | 2.33                                 | 2.33                                 |
| Net worth (₹ in Lakhs)                            | 1,175.65                                   | 1,162.97                             | 1,118.58                             | 1,125.06                             |
| Revenue from Operation (₹ in Lakhs)               | 8,552.01                                   | 24,320.31                            | 14,641.40                            | 9,819.74                             |
| Other Income (₹ in Lakhs)                         | 0.64                                       | 408.39                               | 93.16                                | 3.32                                 |
| Profit after Tax (₹ in Lakhs)                     | 12.68                                      | 44.39                                | (6.48)                               | 41.73                                |
| Earnings per share (Basic & diluted) (₹)          | 54.54                                      | 190.92                               | (27.87)                              | 348.89                               |
| Net Asset Value Per Share (Rs) (Pre Bonus Issue)  | 5,056.57                                   | 5,002.03                             | 4,811.11                             | 4,838.98                             |
| Net Asset Value Per Share (Rs) (Post Bonus Issue) | 50.07                                      | 49.53                                | 47.63                                | 47.91                                |
| Total borrowings (₹ in Lakhs)                     | 560.34                                     | 1113.05                              | 1354.91                              | 1282.40                              |

## 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                       | 521.16                      |
| Litigation by Company                                    | -               | -                       | -                           |
| Litigation against Promoter and Directors of the Company | -               | -                       | -                           |
| Litigation by Promoter and Directors of the Company      | -               | -                       | -                           |
| Litigation against Group Company                         | -               | -                       | -                           |
| Litigation by Group Company                              | -               | -                       | -                           |

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 143 of this Draft Prospectus.

## RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” on page 17 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.

## SUMMARY OF RELATED PARTY TRANSACTIONS

### i) Names of related parties and description of relationship with the company

- A) Key managerial personnel and their relatives
- Mitesh Adani - Managing Director
  - Aashaben Adani - Relative of Director
  - Yash Adani – Director

For detailed information on the related party transaction executed by our Company, please refer chapter titled “Restated Financial Statement” beginning on page 99 of this Draft Prospectus.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoter, 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.     | Mitesh Adani     | 11,35,750  | 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 Promoter | Average Cost of Acquisition in ₹ |
|---------|------------------|----------------------------------|
| 1.      | Mitesh Adani     | 42.48                            |

## 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 | Benefit Accrued |
|-------------------|-------------------------------------|------------------|-------------------|-----------------------|------------------------|---------------------|-----------------|
| December 02, 2022 | 23,25,000                           | 10               | NA                | Miteshbhai J. Adani   | 1135750                | Bonus Issue         | NIL             |
|                   |                                     |                  |                   | Asha Mitesh Adani     | 26750                  |                     |                 |
|                   |                                     |                  |                   | Niranjan Jain         | 337500                 |                     |                 |
|                   |                                     |                  |                   | Sangita Niranjan Jain | 50000                  |                     |                 |
|                   |                                     |                  |                   | Dineshsingh Kshatriya | 337500                 |                     |                 |
|                   |                                     |                  |                   | Sarojsingh Kshatriya  | 50000                  |                     |                 |
|                   |                                     |                  |                   | Jaikishan Sajnani     | 250000                 |                     |                 |
|                   |                                     |                  |                   | Veena Sajnani         | 137500                 |                     |                 |

## 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

*Investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Prospectus, including the risks and uncertainties described below and the Financial Statements incorporated in this Draft Prospectus, before making an investment in the Equity Shares of our Company. Any potential investor in, and subscribers of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For further details, please refer to chapters titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 67 and 136, respectively of this Draft Prospectus, as well as the other financial and statistical information contained in this Draft Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.*

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

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

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

*This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. For further details, please refer to chapter titled “Forward-Looking Statements” beginning on page 11 of this Draft Prospectus.*

*Unless otherwise indicated, all financial information included herein are based on our Financial Statements. Please refer to the section titled “Restated Financial Statements” beginning on page 99 of this Draft Prospectus.*

### **INTERNAL RISK FACTORS:**

- 1. *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 2021-2022 and FY 2020-21 was 63.97% and 81.56 %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 purchase from top ten suppliers in the FY 2021-2022 and FY 2020-21 was 69.90% and 65.85 % 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.

**2. *Our Company has sold out its cloths and readymade garments manufacturing units and we are now in to trading activities.***

We have sold out our manufacturing unit at the end of the financial year 2021-22, as the manufacturing turnover contributes 39.89 % of the total turnover. We have accepted light asset model and decided to concentrate on trading activities. We are concentrating on only trading activities of cloths and readymade garments. Though, we are regularly supplying readymade garments to our clients, our business operations, revenue, profits, etc will be affected adversely on account of discontinuing of manufacturing activities in which we have better margin than trading activity.

**3. *We do not own registered office from which we operate.***

Our Registered Office is located at 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad - 382405. The registered office is not owned by us. Our company has taken premises on rental basis at a monthly rent of Rs.48,000/- and has entered into rent agreement with Gafur Nnubhai Bharwad. The premises have been taken by us on lease for a period from April 01, 2022 to March 29, 2023 with a condition that leases can be extended with the mutual consent of the parties.

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 identify 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.

**4. *The Company is providing credit of average more than 100 days to the customers and also enjoy credit facility from the suppliers of average more than 100 days.***

The average credit given by the Company to customers is more than 100 days. The Revenue from top ten customers in the FY 2021-2022 and FY 2020-21 was 63.97% and 81.56 % of the total turnover. In case of nay customer delay the payment to the Company beyond the credit period given the fund flow of the Company will be disturbed and in case of default of payment by the customers, the financial position, profitability of the Company will be adversely affected. The Company is also enjoy credit facility from the suppliers of average more than 100 days. On account of that the funds will not be blocked in working capital.

**5. *An Appeal filed before the Income Tax tribunal challenging the order passed under section 263(1) of the Income Tax Act, 1961 by the Principal Commissioner of Income Tax, any failure to plead our case successfully may have an adverse effect on our business prospects, financial condition, result of ongoing operations and reputation.***

The details of this legal proceeding are given below in the following table: (₹ in lacs)

| Particular                      | Nature of cases  | No of outstanding cases | Amount involved |
|---------------------------------|--|-------------------------|-----------------|
| Litigations against our Company | Appeal filed before the Income Tax tribunal challenging the order passed under section 263(1) of the Income Tax Act,1961 by the Principal Commissioner of Income Tax | 1                       | 521.16          |

For further details regarding outstanding litigations by and against company please refer the chapter "Outstanding Litigations and Material Development" on page no. 143 of this Draft Prospectus.

**6. *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. D G M S & Co., the Peer Review Chartered Accountants, who is not the Statutory Auditor of the company. The last Audited Balance sheet of 31<sup>st</sup> March, 2022 and Audited Accounts of six months ending September 30, 2022 have been Audited by Statutory Auditors M/s. Shreekant S. Shah & Co., Chartered Accountants, however as per the requirements of clause no. (11)(A)(e) of Schedule VI of SEBI ICDR 2018. The last audited balance as on March 31, 2022 and last six months audited accounts are reaudited by peer review auditor. The Company will appoint the Chartered Accountant holding Peer Review Certificate as Statutory Auditor in the Annual General Meeting of the Company.

**7. *We have to update the name of our company in some of the statutory approvals and certificates due to the Change in the name upon conversion of our Company in to Public Limited Company.***

Some of our statutory approvals and certificates are in the name of Vivaa Tradecom Private Limited. Since our Company has been converted from Private limited to Public Limited pursuant to a special resolution passed by our shareholders at the EGM held on December 02, 2022 and consequently the name of our Company was changed as "Vivaa Tradecom Limited" we have to update the name Vivaa Tradecom Limited on the statutory approvals and certificates. We cannot ensure that we will be able to update the said documents in a timely manner.

For more information about the licenses required in our business, please refer section "Government and other statutory approvals" beginning on page no. 146 of this Draft Prospectus.

**8. *Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.***

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registration and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. If we fail to maintain such registrations and licenses or comply with applicable conditions, then such respective regulatory can impose fine on our company or suspend and/or cancel the approval/licenses which may affect our business adversely. The Company has not applied registration under Shop and Establishment Act and the company has to bear the cost of interest and penalties, if any, levied by the authority.

For more information about the licenses required in our business, please refer section "Government and other statutory approvals" beginning on page no. 146 of this Draft Prospectus.

**9. *Our company has yet to obtain to Enrollment Certificate and Registration Certificate under the provisions of Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976.***

Our company has to get the Enrollment certificate and Registration Certificate (Registration for Professional Tax) under the provisions of the Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976 from Ahmedabad Municipal Corporation (AMC). Our Company has neither obtained any of the above certificate nor applied for the same. In case inspection from the AMC authority, we may be asked to deposit the entire amount of professional tax of our company as well as the professional tax payable for our employees, with interest and penalty, if any. If, such event take place, our profitability and liquidity will be adversely affected.

**10. *Certain inaccuracy in relation to filings of forms with the RoC were done by our company.***

In past, there have been certain instances of inaccuracy in filing of various Forms with the RoC. In Form PAS-3 dated February 07, 2020, Shares were allotted against conversion of Loan, however in PAS-3 the table showing shares allotted against cash instead of issue other than cash was erroneously selected. Similarly, in Form DIR-12, category of Director was selected as an Independent Director, but nothing is mentioned about appointment of the said director as an independent Director in the resolution attached with DIR-12, Three directors were appointed in a single resolution which is in contravention of the Companies Act and the said resolution was filed along with Form DIR -12 filed in the office of Registrar of Companies in respect of appointment of three directors. In the event of any cognizance being taken by the concerned authorities in respect of above inaccuracy, actions may be taken against our Company and directors, in such event the liquidity and profitability of our Company will be affected adversely.

- 11. *Our results of operations may be materially adversely affected by our failure to anticipate and respond to changes in fashion trends and consumer preferences in a timely manner.***

Our results of operations depend upon the continued demand by consumers for our products. We believe that our success depends in large part upon our ability to anticipate, gauge and respond in a timely manner to changing fashion, trends, consumer demands & preferences and upon the appeal of our products. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to modify our products on a timely basis, we may lose customers or become subject to greater pricing pressure.

Our business is sensitive to changing consumer preferences, including changes in consumer acceptance of our products, all of which may be caused by many factors that are generally beyond our control. Some or all of our concepts and designs may become less attractive in light of changing consumer preferences and we may be unable to adapt to such changes in a timely manner. Any change in consumer preferences that decreases demand could adversely affect our business, financial condition, results of operations and prospects.

- 12. *There are no long-term supply agreements with our vendors/suppliers. Our Business may be adversely affected if there is any disruption in the supply of trading material or due to non-availability of trading material.***

We do not have written agreements with our vendors/suppliers and we purchase the Trading Materials as an when required from the open market on regular basis. There are no long-term supply agreements for the trading material. In absence of any such formal contract with our vendors/suppliers, we are exposed to the risks of irregular supplies or no supplies at all or delayed supplies or price variation which would materially affect our results of operations.

In the event of any disruption in the supply or the non-availability of material in the required quantity and of required quality from alternate source, the supply schedule to our clients may be adversely be affected impacting the sales and profitability of the Company.

- 13. *The Company had issued share Certificates without payment of necessary stamp duty on share Certificates.***

Our company had issued share certificates for entire Share Capital of Rs. 2,37,15,000/- on which no Government stamps are affixed and paid at the required rate of 0.005% of total value of Share Capital . In future we may be liable to pay stamp duty on the share certificate according to law along with the interest and penalty, if any.

- 14. *Our insurance coverage may not adequately protect us against certain operating risks and this may have an adverse effect on the results of our business.***

We are insured for a risk associated with our trading business, through various policies. We believe that we have got our assets and stock adequately insured, however our policy of covering these risks through insurance may not always be effective or adequate, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered/reimbursed by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected. For details on insurance policies taken by our Company please page no. 67 in chapter titled “Business Overview” of Draft Prospectus.

- 15. *We are dependent on third party transportation providers for delivery of trading goods and materials to us from our suppliers and delivery of Garments and materials to our clients. Any failure on part of such service providers to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.***

Trading of Garments and cloths is our main activities, we purchase the raw materials and readymade garments from the market and sale the same in the market, our success depends on the smooth supply and transportation of raw materials, readymade Garments etc. from our suppliers to us and supply of Garments and cloths to our buyers/clients, both of which are subject to various uncertainties and risks. In addition, the garments and/or cloths may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of such materials which may also affect our business and our results of operation negatively. Any failure to maintain a continuous supply of trading materials to us as well as

to our clients in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations and reputation.

**16. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

**17. *We do business with our customers on purchase order basis and do not have any long term contracts with most of them.***

Though we are regularly supplying Readymade Garments to some of leading Brands company, our business is conducted on purchase order basis, depending on the requirements of the client preferences and demand. We do not have long any term contracts with most of our customers and there can be no assurance that we will continue to receive repeated orders from all or any of them, including our longstanding customers. Further, even if we were to continue receiving orders from our existing clients, there can be no assurance that they will be on the same terms and conditions, and the new terms may be less favourable to us than those under the present terms which may adversely affect our business operations and results.

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

As per our restated financial statements, as on September 30, 2022, we have unsecured loan of ₹412.52 lakhs from erstwhile director which is repayable on demand. Any demand from Directors for repayment of such unsecured loans, may adversely affect our liquidity and business operations. For further details of these unsecured loans, please refer to Chapter titled “*Restated Financial Statements*” beginning on page 99 of this Draft Prospectus.


**19. *Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. We are in the business of Readymade Garment, where changes in fashion is continuous process. We have to effectively manage our inventory considering, accurately estimate customer demand and supply requirement accordingly. If our management has misjudged expected customer demand, it could adversely impact the results by causing either a shortage of supply or an accumulation of excess inventory. The excess inventory will need storage space and block our liquidity resulting in to loss.

**20. *We could be exposed to risks arising from misconduct, fraud and trading errors by our employees and Business Associates.***

Frauds or other delinquencies by employees could include indulging in transactions that exceed authorized limits or present unacceptable risks to us; hiding unauthorized or unsuccessful trading activities from us; or the improper use of confidential information. Such misconduct could result in unexpected business risks, losses, invite regulatory sanctions and seriously harm our reputation and could even lead to litigation. The precautions we take to prevent and detect these types of activities may not always be effective. Any delinquencies or trading errors on the part of our employees and business associates could materially affect our business operations, financial position and/or reputation.

**21. *Our Company does not have intellectual property rights over its corporate logo.***

We have our corporate Logo , but the same is not registered with the Trade Marks and patents Authority. We operate in an extremely competitive environment, we are dealing in the business of readymade garments, where name and reputation has much more value, we have created our image reputation and



reorganization among our buyers, which is a significant element of our business strategy and success. Currently, our logo is not Registered with the Authority. In absence of our Registered Logo or Trademark there are chances of getting damage to our business prospects, reputation and goodwill and misuse of our designs also.

**22. 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.**

The Company was in manufacturing of readymade garment and trading of goods. In the year 2022, under the policy of light asset model the Company has sold the Manufacturing unit and concentrated on the trading of the goods. The Working capital estimates for the future are based on the FY 2021-22. The total working capital requirement for the FY 2021-22 was ₹ 1987.67 lacs and the same is financed by the Capital and cash accruals of the Company.

| Particulars                   | 31.03.2020     | 31.03.2021     | 31.03.2022     |
|-------------------------------|----------------|----------------|----------------|
|                               | Audited        | Audited        | Audited        |
| Inventories                   | 2165.56        | 1899.91        | 2063.98        |
| Trade Receivables             | 983.37         | 5891.45        | 7071.92        |
| Cash and Bank Balances        | 44.42          | 9.43           | 3.4            |
| Short term loans and Advances | 381.2          | 333.99         | 309.44         |
| Other current Assets          | 28.45          | 88.68          | 41.55          |
| Other Non Current Assets      |                |                |                |
| <b>Total</b>                  | <b>3603.00</b> | <b>8223.46</b> | <b>9490.29</b> |
| Less :                        |                |                |                |
| Trade Payables                | 2150.94        | 6568.5         | 7420.37        |
| other Current Liabilities     | 87.77          | 112.46         | 20.91          |
| Short Term Provisions         | 207.97         | 204.25         | 61.34          |
| <b>Total Liabilities</b>      | <b>2446.68</b> | <b>6885.21</b> | <b>7502.62</b> |
| Net Working Capital           | 1156.32        | 1338.25        | 1987.67        |

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

**23. 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 and financial condition.**

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

(₹ In Lacs)

| Particulars                                  | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|----------------|
| Net Cash Generated from Operating Activities | (453.77)       | 0.22           | 616.13         |

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

We have entered into certain transactions with related parties with our Promoter, Promoter Group, Directors, their relatives, Group Entities and may continue to do so in future. Our Company has entered into such transactions due to easy proximity and quick execution. Additionally, our company belief that all our related party transactions have been conducted on an arm's length basis, but we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to "Annexure 33" Related Party Transactions "on page 128 of Restated Financial Information of this Draft Prospectus.

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

Our Promoter and Directors and key Managerial Personnel may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “*Business Overview*” and “*Our Promoters and Promoter Group*”, beginning on page 67 and 95 respectively and the chapter titled “*Annexure 33 - Related Party Transactions*” on page 128 under chapter titled “*Restated Financial Statements*” beginning on page 99 of this Draft Prospectus.

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

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

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

The issue price of our Equity shares is decided on the basis of both qualitative and quantitative factors. The Company has made good progress in establishing its name in the trading of cloths and garments sector. All such point has been considered in deciding the issue price of the Equity Shares. Please refer chapter titled “*Basis for Issue Price*” beginning on the page no 55 of the Draft prospectus. The market price of our equity shares could be subject to change after the issue and may decline below the issue price.

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

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

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

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

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

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue which may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled “*Objects of the Issue*” on page 50 of this Draft Prospectus.

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

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be

unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

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

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

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

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be change subject to the approval of shareholders by passing special resolution pursuant to section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled “Objects of the Issue” beginning on page no. 50 of this Draft Prospectus.

## **EXTERNAL RISK FACTORS**

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

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

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

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

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

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

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

Our Company is subject to various regulations and policies. For details see section titled “*Key Industry Regulations and Policies*” beginning on page 75 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

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

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

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

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

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

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

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

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

## THE ISSUE

The following table summarizes the Issue details:

| Particulars   | Details of Equity Shares   |
|---|--|
| <b>Issue of Equity Shares by our Company</b>        | 15,66,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ 51 per Equity Share aggregating to ₹ 798.66 Lakhs  |
| <i>Of Which</i>                                     |  |
| <b>Market Maker Reservation Portion</b>             | 82,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹51 per Equity Share aggregating to ₹ 41.82 Lakhs  |
| <b>Net Issue to the Public*</b>                     | 14,84,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 51 per Equity Share aggregating to ₹ 756.84 Lakhs   |
| <i>Of Which</i>                                     |  |
| <b>(A) Retail Portion</b>                           | 7,42,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 51 per Equity Share aggregating to ₹ 378.42 Lakhs i.e. 50% of the Net Issue shall be available for allocation Retail Individual Investors                          |
| <b>(B) Non – Institutional Portion</b>              | 7,42,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹51 per Equity Share aggregating to ₹ 378.42 Lakhs i.e. 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors. |
| <b>Pre-and Post-Issue Equity Shares</b>             |  |
| <b>Equity Shares outstanding prior to the Issue</b> | 23,71,500 Equity Shares of face value of ₹10.00/- each   |
| <b>Equity Shares outstanding after the Issue</b>    | 39,37,500 Equity Shares of face value of ₹ 10.00/- each  |
| <b>Use of Issue Proceeds</b>                        | For details, please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 50 of this Draft Prospectus.  |

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 20, 2022 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on January 02, 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 165 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**

**ANNEXURE 1 RESTATED BALANCE SHEET**

**(Rs. In Lakhs)**

| <b>Particulars</b>   | <b>As At 30th<br/>September 2022</b> | <b>As At 31st<br/>March 2022</b> | <b>As At 31st<br/>March 2021</b> | <b>As At 31st<br/>March 2020</b> |
|--|--------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b>I. EQUITY AND LIABILITIES</b>   |                                      |                                  |                                  |                                  |
| <b>1 Shareholders' funds</b>   |                                      |                                  |                                  |                                  |
| (a) Share capital  | 2.33                                 | 2.33                             | 2.33                             | 2.33                             |
| (b) Reserves and surplus   | 1,173.33                             | 1,160.65                         | 1,116.26                         | 1,122.74                         |
| <b>2 non-current liabilities</b>   |                                      |                                  |                                  |                                  |
| (a) Long-term borrowings   | 27.40                                | 131.20                           | 184.15                           | 102.12                           |
| (b) Deferred tax liabilities (Net)   | 25.40                                | 24.82                            | 71.51                            | 66.82                            |
| (c) Long-term Provisions   | -                                    | -                                | -                                | -                                |
| (d) Other Long-term Liabilities  | -                                    | -                                | -                                | -                                |
| <b>3 Current liabilities</b>   |                                      |                                  |                                  |                                  |
| (a) Short-term borrowings  | 532.93                               | 981.85                           | 1,170.75                         | 1,180.28                         |
| (b) Trade payables   |                                      |                                  |                                  |                                  |
| Total outstanding dues of micro enterprises and small enterprises                      | -                                    | -                                | 11.77                            | -                                |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 8,172.87                             | 7,420.37                         | 6,556.73                         | 2,150.94                         |
| (c) Other current liabilities  | 16.25                                | 20.91                            | 112.46                           | 87.77                            |
| (d) Short-term provisions  | 71.60                                | 61.34                            | 204.25                           | 207.97                           |
| <b>TOTAL</b>   | <b>10,022.11</b>                     | <b>9,803.46</b>                  | <b>9,430.20</b>                  | <b>4,920.96</b>                  |
| <b>II.ASSETS</b>   |                                      |                                  |                                  |                                  |
| <b>1 non-current assets</b>  |                                      |                                  |                                  |                                  |
| (a) Fixed assets   |                                      |                                  |                                  |                                  |
| (i) Tangible assets  | 91.29                                | 113.65                           | 1,020.12                         | 1,131.35                         |
| (ii) Intangible Assets   | -                                    | -                                | -                                | -                                |
| (iii) Intangible Assets under development  | -                                    | -                                | -                                | -                                |
| (iv) Capital Work in Progress  | -                                    | -                                | -                                | -                                |
| Less: Accumulated Depreciation   | -                                    | -                                | -                                | -                                |
| Net Block  | 91.29                                | 113.65                           | 1,020.12                         | 1,131.35                         |
| (b) Non-Current Investments  | 0.63                                 | 0.63                             | 0.63                             | 0.63                             |
| (c) Long-term loans and advances   | -                                    | 198.89                           | 185.99                           | 185.99                           |
| (d) Other Non-Current Assets   | -                                    | -                                | -                                | -                                |
| (e) Deferred Tax Assets  | -                                    | -                                | -                                | -                                |
| <b>2 Current assets</b>  |                                      |                                  |                                  |                                  |
| (a) Current Investments  | -                                    | -                                | -                                | -                                |
| (b) Inventories  | 1,933.79                             | 2,063.98                         | 1,899.91                         | 2,165.56                         |
| (c) Trade receivables  | 7,324.46                             | 7,071.92                         | 5,891.45                         | 983.37                           |
| (d) Cash and cash equivalents  | 122.69                               | 3.40                             | 9.43                             | 44.42                            |
| (e) Short-term loans and advances  | 505.49                               | 309.44                           | 333.99                           | 381.20                           |
| (f) Other Current Assets   | 43.76                                | 41.55                            | 88.68                            | 28.45                            |
| <b>TOTAL</b>   | <b>10,022.11</b>                     | <b>9,803.46</b>                  | <b>9,430.20</b>                  | <b>4,920.96</b>                  |

## ANNEXURE 2 RESTATED STATEMENT OF PROFIT &amp; LOSS

(Rs. In Lakhs)

| Particulars                                     | As At 30th<br>September<br>2022 |          | As At 31st<br>March 2022 |           | As At 31st<br>March 2021 |           | As At 31st<br>March 2020 |          |
|---|---------------------------------|----------|--------------------------|-----------|--------------------------|-----------|--------------------------|----------|
|   | I. Revenue from operations      | 8,552.01 |                          | 24,320.31 |                          | 14,641.40 |                          | 9,819.74 |
| II. Other income                                | 0.64                            |          | 408.39                   |           | 93.16                    |           | 3.32                     |          |
| <b>III. Total Income (I + II)</b>               | 8,552.65                        |          | 24,728.70                |           | 14,734.56                |           | 9,823.06                 |          |
| IV. Expenses:                                   |                                 |          |                          |           |                          |           |                          |          |
| Cost of Material Consumed                       | -                               |          | 1,961.32                 |           | 1,264.03                 |           | 2,131.02                 |          |
| Purchases of Stock-In-Trade                     | 8,316.55                        |          | 19,752.26                |           | 10,873.72                |           | 5,438.90                 |          |
| Changes in inventories of Stock-in-Trade        | 130.19                          |          | (465.59)                 |           | 360.77                   |           | (887.77)                 |          |
| Employee benefits expense                       | 11.10                           |          | 1,082.18                 |           | 701.03                   |           | 1,091.66                 |          |
| Finance costs                                   | 36.01                           |          | 85.28                    |           | 99.94                    |           | 114.90                   |          |
| Depreciation and amortization expense           | 9.68                            |          | 120.96                   |           | 120.59                   |           | 123.11                   |          |
| Other expenses                                  | 27.10                           |          | 2,171.10                 |           | 1,316.27                 |           | 1,748.64                 |          |
| Total expenses                                  | 8,530.63                        |          | 24,707.52                |           | 14,736.36                |           | 9,760.47                 |          |
| <b>V. Profit before tax (III-IV)</b>            | 22.02                           |          | 21.18                    |           | (1.79)                   |           | 62.59                    |          |
| VI Tax expense:                                 |                                 |          |                          |           |                          |           |                          |          |
| (1) Current tax                                 | 8.76                            |          | 23.48                    |           | -                        |           | 32.14                    |          |
| (2) Deferred tax                                | 0.58                            |          | (46.69)                  |           | 4.68                     |           | (11.28)                  |          |
| (3) Less: MAT Credit Entitlement                |                                 |          |                          |           |                          |           |                          |          |
| <b>VII. Profit (Loss) for the period (V-VI)</b> | 12.68                           |          | 44.39                    |           | (6.48)                   |           | 41.73                    |          |

## ANNEXURE 3 RESTATED STATEMENT OF CASH FLOWS

(Rs. In Lakhs)

| Particulars   | For the year ended 30th September, 2022 |        | For the year ended 31 st March 2022 |          | For the year ended 31 st March 2021 |          | For the year ended 31 st March 2020 |        |
|---|---|--------|-------------------------------------|----------|-------------------------------------|----------|-------------------------------------|--------|
| <b>Cash flow from Operating Activities</b>              |   |        |                                     |          |                                     |          |                                     |        |
| Net Profit Before tax as per Statement of Profit & Loss |   | 22.02  |                                     | 21.18    |                                     | (1.79)   |                                     | 62.59  |
| Adjustments for:  |   |        |                                     |          |                                     |          |                                     |        |
| Depreciation & Amortisation Exp.                        | 9.68                                    |        | 120.96                              |          | 120.59                              |          | 123.11                              |        |
| Interest Income   | -                                       |        | (2.27)                              |          | (1.58)                              |          | (1.87)                              |        |
| Prior Period Items                                      |   |        |                                     |          |                                     |          | 33.79                               |        |
| Interest Income   | -                                       |        | -                                   |          | (0.21)                              |          | (0.17)                              |        |
| Finance Cost  | 36.01                                   | 45.69  | 85.28                               | 203.97   | 99.94                               | 218.95   | 114.90                              | 269.93 |
| <b>Operating Profit before working capital changes</b>  |   | 67.71  |                                     | 225.16   |                                     | 217.15   |                                     | 332.52 |
| <b>Changes in Working Capital</b>                       |   |        |                                     |          |                                     |          |                                     |        |
| Trade receivable  | (252.55)                                |        | (1,180.47)                          |          | (4,908.08)                          |          | 1,335.13                            |        |
| Other Loans and advances receivable                     | (196.04)                                |        | 24.55                               |          | 47.20                               |          | (43.98)                             |        |
| Inventories   | 130.19                                  |        | (164.07)                            |          | 265.65                              |          | (891.23)                            |        |
| Other Current Assets                                    | (2.21)                                  |        | 47.13                               |          | (60.23)                             |          | (28.35)                             |        |
| Trade Payables  | 752.50                                  |        | 851.86                              |          | 4,417.56                            |          | (49.06)                             |        |
| Other Current Liabilities                               | (4.66)                                  |        | (91.54)                             |          | 24.68                               |          | (102.30)                            |        |
| Current Investment                                      | -                                       |        | -                                   |          | -                                   |          | -                                   |        |
| Short term Provisions                                   | 10.26                                   |        | (142.91)                            |          | (3.72)                              |          | 95.52                               |        |
|   |   | 437.49 |                                     | (655.45) |                                     | (216.93) |                                     | 315.75 |
| <b>Net Cash Flow from Operation</b>                     |   | 505.20 |                                     | (430.29) |                                     | 0.22     |                                     | 648.27 |
| Less : Income Tax paid                                  |   | 8.76   |                                     | 23.48    |                                     | -        |                                     | 32.14  |
| <b>Net Cash Flow from Operating Activities (A)</b>      |   | 496.44 |                                     | (453.77) |                                     | 0.22     |                                     | 616.13 |
| <b>Cash flow from investing Activities</b>              |   |        |                                     |          |                                     |          |                                     |        |
| Purchase of Fixed Assets                                | -                                       |        | (40.81)                             |          | (17.38)                             |          | (74.86)                             |        |
| Sale of Fixed Assets                                    | 12.69                                   |        | 826.32                              |          | 8.02                                |          | -                                   |        |



|  |          |               |               |                |        |              |
|--|----------|---------------|---------------|----------------|--------|--------------|
| Other Non-Current Assets (Net)   | -        | -             | -             | -              | -      | -            |
| Movement in Loans & Advances   | 198.89   | (12.91)       | -             | (84.05)        |        |              |
| Purchase/Sale of Investment  | -        | -             | -             | (0.63)         |        |              |
| Interest Income  | -        | 2.27          | 1.58          | 1.87           |        |              |
|  |          | 211.59        | 774.87        | (7.78)         |        | (157.67)     |
| <b>Net Cash Flow from Investing Activities (B)</b>                     |          | 211.59        | 774.87        | (7.78)         |        | (157.67)     |
| <b>Cash Flow From Financing Activities</b>                             |          |               |               |                |        |              |
| Proceeds From long Term Borrowing (Net)                                | (103.80) | (52.95)       | 82.04         | (1,237.45)     |        |              |
| Short Term Borrowing (Net)   | (448.92) | (188.90)      | (9.53)        | 404.78         |        |              |
| Interest Paid  | (36.01)  | (85.28)       | (99.94)       | (114.90)       |        |              |
| Issue of Share   | -        | (588.74)      | (327.13)      | (27.43)        | 499.00 | (448.57)     |
| <b>Net Cash Flow from Financing Activities (C)</b>                     |          | (588.74)      | (327.13)      | (27.43)        |        | (448.57)     |
| <b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b> |          | <b>119.29</b> | <b>(6.03)</b> | <b>(34.99)</b> |        | <b>9.88</b>  |
| Opening Cash & Cash Equivalents  |          | 3.40          | 9.43          | 44.42          |        | 34.54        |
| <b>Cash and cash equivalents at the end of the period</b>              |          | <b>122.69</b> | <b>3.40</b>   | <b>9.43</b>    |        | <b>44.42</b> |
| <b>Cash And Cash Equivalents Comprise:</b>                             |          |               |               |                |        |              |
| Cash   |          | 1.82          | 0.41          | 3.13           |        | 5.16         |
| <b>Bank Balance:</b>   |          |               |               |                |        |              |
| Current Account  |          | 117.88        | -             | 3.31           |        | 36.27        |
| Deposit Account  |          | 2.99          | 2.99          | 2.99           |        | 2.99         |
| <b>Total</b>   |          | <b>122.69</b> | <b>3.40</b>   | <b>9.43</b>    |        | <b>44.42</b> |

## GENERAL INFORMATION

Our Company was originally incorporated as “Anantnath Infracon Private Limited” under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 23, 2010 bearing Corporate Identification Number U70101GJ2010PTC060395 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Subsequently, the name of our company has changed from “Anantnath Infracon Private Limited” to “Vivaa Tradecom Private Limited” vide Fresh Certificate of Incorporation dated September 06, 2012 bearing Corporate Identification Number U17120GJ2010PTC060395. Further, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 02, 2022 and consequently the name of our Company was changed to “Vivaa Tradecom Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated December 14, 2022. The CIN of the Company is U17120GJ2010PLC060395. For further details, please refer the chapter titled “History and Certain Corporate Matters” beginning on page 82 of this Draft Prospectus.

The Corporate Identification Number of our Company is U17120GJ2010PLC060395.

### Registered office of our Company

#### Vivaa Tradecom Limited

Address :17, Pirana Piplej Road,  
Saijpur (Gopalpur), Piplej, Ahmedabad – 382405  
Tel No: +91 9924822188

Website: [www.vivaaatrade.com](http://www.vivaaatrade.com)

E-mail: [account@vivaaatrade.com](mailto:account@vivaaatrade.com)

### ADDRESS OF REGISTRAR OF COMPANIES

#### Registrar of Companies

Our Company is registered with the Registrar of Companies, Ahmedabad located at:  
Registrar of Companies  
ROC Bhavan, Opp. Rupal Park Society,  
Behind Ankur Bus Stop, Naranpura,  
Ahmedabad - 380013, Gujarat, India

### Board of Directors of our Company

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

| Sr No | Name                  | Designation            | DIN      | Address   |
|-------|-----------------------|------------------------|----------|---|
| 1.    | Mitesh Adani          | Managing Director      | 03279695 | B/802, Sagar Samrat Appartment, Nr Jalaram Railway Crossing, Ellisbridge Ahmedabad-380007, Gujarat India    |
| 2.    | Sangita Jain          | Executive Director     | 01923253 | 9, Vraj Villa Bungalow, B/H Iscon Mall, Bodakdev, Ahmedabad- 380054, Gujarat, India.                        |
| 3.    | Dineshsingh Kshatriya | Non-Executive Director | 00789633 | 5, Vasant Vihar Society, Nr. L. J. College, Nr. Nirman School, Vastrapur, Ahmedabad- 380015, Gujarat, India |
| 4.    | N.P.Chauhan           | Independent Director   | 00282842 | F/6-B-Block, Maheshwari Apartment, Keshavnagar, Subhashbridge, Ahmedabad-380027, Gujarat, India             |
| 5.    | Jimitkumar Sanghvi    | Independent Director   | 02978329 | A-503, Kanchan Janga Apartment, B/h. IFC Bhavan, Ellisbridge, Ahmedabad -380006 Gujarat, India              |

For further details of our directors, please refer chapter titled “Our Management” beginning on page 85 of this Draft Prospectus.

**Company Secretary and Compliance Officer**  
**Ms. Aditi Gerg**

**Vivaa Tradecom Limited**

**Address :**17, Pirana Piplej Road,  
Saijpur (Gopalpur), Piplej, Ahmedabad – 382405

**Tel No:** +91 +91 9924822188

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

**E-mail:** [account@vivaatrade.com](mailto:account@vivaatrade.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.**

|   |  |
|---|--|
| <b>Lead Manager to the Issue</b>  | <b>Registrar to the Issue</b>  |
| <b>Interactive Financial Services Limited</b><br><b>Address:</b> 612, 6th Floor, Shree Balaji Heights,<br>Kokilaben Vyas Marg, Ellisbridge,<br>Ahmedabad - 380 009, Gujarat, India<br><b>Tel No.:</b> 079 4601 9796<br><b>(M):</b> +91-9898055647<br><b>Web Site:</b> <a href="http://www.ifinservices.in">www.ifinservices.in</a><br><b>Email:</b> <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a><br><b>Investor Grievance Email:</b> <a href="mailto:info@ifinservices.in">info@ifinservices.in</a><br><b>Contact Person:</b> Pradip Sandhir<br><b>SEBI Registration No:</b> INM000012856 | <b>Bigshare Services Private Limited</b><br><b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle<br>Business Park, Next to Ahura Center, Mahakali Caves<br>Road, Andheri East, Mumbai-400093<br><b>Tel No:</b> +91 22-62638200<br><b>Fax No</b> +91 22-62638299<br><b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a><br><b>E-Mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a><br><b>Investor Grievance Email:</b><br><a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a><br><b>Contact Person:</b> Aniket Chindarkar<br><b>SEBI Reg. No.:</b> INR000001385 |
| <b>Legal Advisor to the Issue</b>   | <b>Statutory Auditor</b>   |
| <b>M/s. Mauleen N. Marfatia</b><br><b>Address:</b> 1222, 12 <sup>th</sup> Floor, I-SQUARE, Next to<br>Shukan Mall, Science City Road, Ahmedabad -<br>380060, Gujarat, India<br><b>Tel No:</b> +91 9898917167<br><b>Email Id:</b> <a href="mailto:mauleenmarfatia9898@gmail.com">mauleenmarfatia9898@gmail.com</a><br><b>Contact Person:</b> Mauleen Marfatia<br><b>Bar Council No.:</b> G/1585/2008   | <b>M/s. Shreekant S. Shah &amp; Co., Chartered<br/>Accountants</b><br><b>Address:</b> 345, Ground, Opp. Choice Restaurant,<br>Navrangpura, Ahmedabad- 380009 Gujarat, India<br><b>Tel No.:</b> 26400341<br><b>Email:</b> <a href="mailto:shreekant@cashreekantshah.com">shreekant@cashreekantshah.com</a><br><b>Membership No.:</b> 09108<br><b>Firm Registration No.:</b> 110177W<br><b>Contact Person:</b> Chinubhai N Shah, Partner   |
| <b>Peer Reviewed Auditor</b>  | <b>Bankers to the Company</b>  |
| <b>M/s. D G M S &amp; Co., Chartered Accountants</b><br><b>Address:</b> 217/218, Manek Centre, P N Marg Jamnagar-<br>361008<br><b>Tel No.:</b> +91 9824231214<br><b>Email:</b> <a href="mailto:Dgmsco.jam@gmail.com">Dgmsco.jam@gmail.com</a><br><b>Membership No.:</b> 108456<br><b>Firm Registration No.:</b> 112187W<br><b>Peer Review No:</b> 014466<br><b>Contact Person:</b> Shashank P.Doshi   | <b>HDFC Bank Ltd.</b><br><b>Address:</b> FIG-OPS Department – Lodha, I Think<br>Techno Campus O-3 Level, Next to Kanjurmarg<br>Railway Station, East, Mumbai – 400042, Maharashtra<br><b>Tel. No.:</b> 022- 30752927/28/2914<br><b>Fax No:</b> +91 22- 25799801<br><b>Email ID</b> – <a href="mailto:siddharth.jadhav@hdfcbank.com">siddharth.jadhav@hdfcbank.com</a> ,<br><a href="mailto:eric.bacha@hdfcbank.com">eric.bacha@hdfcbank.com</a> ,<br><b>Website :</b> <a href="http://www.hdfcbank.com">www.hdfcbank.com</a><br><b>Contact Person:</b> Siddharth Jadhav, Eric Bacha, Sachin<br>Gawade, Vikas Rahate                              |

|   |
|---|
| <b>Contact Person :</b> Dennis Desouza  |
| <b>Bankers to the Issue and Refund Banker and Sponsor Bank</b>  |
| <b>ICICI Bank Limited</b><br><b>Address:</b> Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai- 400020<br><b>Tel:</b> 022-66818911/23/24<br><b>Fax No.:</b> 022-22611138<br><b>Email id:</b> <a href="mailto:sagar.welekar@icicibank.com">sagar.welekar@icicibank.com</a><br><b>Contact Person:</b> Sagar Welekar<br><b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a><br><b>SEBI Registration Number:</b> INBI00000004 |

#### **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](http://www.sebi.gov.in)) and its updated from time to time.

##### **Registered Broker**

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

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

##### **Registrar to the Issue and Share Transfer Agents**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI ([www.sebi.gov.in](http://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](http://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 Rs. 10,000 Lakhs. Since the Issue size is only of Rs.798.66 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

### **APPRAISING ENTITY**

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

### **Expert Opinion**

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

Our Company has received a written consent from our Peer Review Auditor, M/s D G M S & Co., Chartered Accountants, with respect to their report on the Restated Financial Statements dated February 06, 2023 and written consent from our statutory auditor M/s. Shreekant S. Shah & Co., Chartered Accountants, with respect to the Statement of Tax Benefits dated February 03, 2023, to include their name in this Draft Prospectus, as required under Companies Act, 2013 read with SEBI (ICDR) Regulations, 2018 as Expert, defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term expert shall not be construed to mean an expert as defined under the U.S. Securities Act.

### **Trustee**

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

### **Changes in Auditors During the Last Three Years**

There is no change in Statutory Auditor of the Company during Last 3 years.

### **Filing of Draft Offer Document/ Offer Document**

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

## Underwriter

Our Company and the LM to the Issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated January 31, 2023 Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriter is 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 |
|--|--|---------------------------------|--------------------------------------|
| <b>Interactive Financial Services Limited</b><br>Address: 612, 6th Floor, Shree Balaji Heights,<br>Kokilaben Vyas Marg, Ellisbridge, Ahmedabad –<br>380009, Gujarat, India<br>Tel No.: +91-9898055647<br>Web Site: <a href="http://www.ifinservices.in">www.ifinservices.in</a><br>Email: <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a><br>Investor Grievance Email: <a href="mailto:info@ifinservices.in">info@ifinservices.in</a><br>Contact Person: Pradip Sandhir<br>SEBI Registration No: INM000012856 | 15,66,000  | 798.66                          | 100.00                               |
| <b>Total</b>   | <b>15,66,00</b>                                  | <b>798.66</b>                   | <b>100.00</b>                        |

\*Includes 82,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker on its own account in order to comply with the requirements of Regulation 261 of SEBI (ICDR) Regulations 2018.

In the opinion of our Board of Directors of the Company, the resources of the above-mentioned 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 January 31, 2023 with the following Market Maker, duly registered with BSE to fulfill the obligations of Market Making:

### Beeline Broking Limited

Address : Samudra Complex, Office no. 701-702,  
Nr. Girish Cold Drinks, off. C G Road,  
Navrangpura, Ahmedabad – 380009  
Gujarat, India

Tel No: 079 66664040

Email: [pcs@beelinebroking.com](mailto:pcs@beelinebroking.com)

Investor Grievance Email ID: [support@beelinebroking.com](mailto:support@beelinebroking.com)

Contact Person: Pradip R. Sandhir

SEBI Registration No: INZ000000638

Beeline Broking Limited is registered with BSE SME as a Market Maker and has agreed to receive or deliver the Equity Shares in the market making process for a period of three (3) years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time.

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the trading hours in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE SME (SME platform of BSE) 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 2,000 Equity Shares, thus, the minimum depth of the quote shall be such an amount that the minimum lot of 2,000 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 2,000 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 82,000 Equity Shares to be allotted under this Issue to the Market Maker). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange may intimate the same to SEBI after due verification.
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange may intimate the same to SEBI after due verification. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five (5) Market Makers for a scrip of the company at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Exchange.
10. The Equity Shares of the Issuer will be traded in continuous trading session from the time and day the Issuer gets listed on BSE SME and Market Maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars or amended from time to time.

11. The Market Maker shall not buy the Equity Shares from the Promoters or Promoter Group of the Issuer or any person who has acquired Equity Shares from such Promoter or Promoter Group, during the Compulsory Market Making Period
12. The Promoters' holding of the Issuer which is locked-in shall not be eligible for offering to Market Maker during the Compulsory Market Making period. However, the Promoters' holding of the Issuer which is not locked in as per SEBI ICDR Regulations can be traded with prior permission of the BSE SME, in the manner specified by SEBI from time to time.
13. The LM, if required, has a right to appoint a nominee director on the Board of the Issuer any time during the Compulsory Market Making period provided it meets requirements of the SEBI ICDR Regulations.
14. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer at any particular level and is purely supposed to facilitate liquidity on the counter of the Issuer via its 2-way quotes. The price shall be determined and be subject to market forces.
15. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while withdrawal on account of force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
16. The Market Maker 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:** BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
19. **Punitive Action in case of default by Market Makers:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular Equity Shares of the Company as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

20. Price Band and Spreads SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be
  - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.



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

| Sr. No. | Market Price Slab (in ₹) | Proposed spread (in % to sale price) |
|---------|--------------------------|--------------------------------------|
| 1       | Up to 50                 | 9                                    |
| 2       | 50 to 75                 | 8                                    |
| 3       | 75 to 100                | 6                                    |
| 4       | Above 100                | 5                                    |

22. After completion of the first three months of market making, in terms of SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; the Market Maker shall be exempt from providing buy quote on attaining the prescribed threshold limits (including the mandatory allotment of 5% of Equity Shares of the Offer). Further, the Market Maker can offer buy quotes only after the Market Maker complies with prescribed re-entry threshold limits. Only those Equity Shares which have been acquired by the Market Maker on the platform of the SME Exchange during market making process shall be counted towards the Market Maker's threshold. The Market Maker shall be required to provide two-way quotes during the first three months of the market making irrespective of the level of holding.
23. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time. The call auction is not applicable of those companies, which are listed at SME platform.
24. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
25. Further, the following shall apply to Market Maker while managing its inventory during the process of market making:
- 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.
  - 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.
  - Any initial holdings over and above such 5% of Issue size would not be counted towards the inventory levels prescribed
  - 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.
  - Threshold limit will be taken into consideration, the inventory level across market makers.
  - 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.
  - Two-way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.
  - In view of the market making obligation, there shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process on the platform of the Exchange, the Exchange may intimate the same to SEBI after due verification.

| Issue Size | Buy quote exemption threshold (including mandatory initial inventory of 5% of Issue size) | Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of Issue size) |
|------------|---|---|
|------------|---|---|

|                                  |      |      |
|----------------------------------|------|------|
| Upto ₹ 2,000 Lakhs               | 25 % | 24 % |
| ₹. 2,000 Lakhs to ₹. 5,000 Lakhs | 20 % | 19 % |
| ₹. 5,000 Lakhs to ₹. 8,000 Lakhs | 15 % | 14 % |
| Above ₹.8,000 Lakhs              | 12 % | 11 % |

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

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

## CAPITAL STRUCTURE

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

Amount (₹ in Lacs except share data)

| Sr. No.   | Particulars   | Aggregate nominal value | Aggregate value at Issue Price |
|-----------|---|-------------------------|--------------------------------|
| <b>A.</b> | <b>AUTHORISED SHARE CAPITAL</b>   |                         |                                |
|           | 50,00,000 Equity Shares of face value of ₹10 each   | 500.00                  |                                |
| <b>B.</b> | <b>ISSUED, SUBSCRIBED &amp; PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>  |                         |                                |
|           | 23,71,500 fully paid Equity Shares of face value of Rs. 10 each   | 237.15                  |                                |
| <b>C.</b> | <b>PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS#</b>   |                         |                                |
|           | Issue of 15,66,000 Equity Shares of face value of ₹10 each at a premium of ₹41 per share  | 156.60                  | 798.66                         |
|           | <b>Which Comprises:</b>   |                         |                                |
| (I)       | Reservation for Market Maker 82,000 Equity Shares of face value of ₹10 each at a premium of Rs. ₹41 will be available for allocation to Market Maker                | 8.20                    | 41.82                          |
| (II)      | Net Issue to the Public 14,84,000 Equity Shares of face value of ₹10 each at a premium of ₹41 per share   | 148.40                  | 756.84                         |
|           | <b>Of Net Issue to the Public</b>   |                         |                                |
| (I)       | 7,42,000 Equity Shares of face value of ₹10 each at a premium of ₹41 per share shall be available for allocation for Investors applying for a value of upto ₹2 Lakh | 74.20                   | 378.42                         |
| (II)      | 7,42,000 Equity Shares of face value of ₹10 each at a premium of ₹41 per share shall be available for allocation for Investors applying for a value above ₹2 Lakh   | 74.20                   | 378.42                         |
| <b>D.</b> | <b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE</b>   |                         |                                |
|           | 39,37,500 Equity Shares of ₹10 each   | 393.75                  |                                |
| <b>E.</b> | <b>SHARE PREMIUM ACCOUNT</b>  |                         |                                |
|           | Share Premium account before the Issue  |                         | 286.10                         |
|           | Share Premium account after the Issue   |                         | 928.16                         |

### 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 (April 23, 2010) | -        | The authorized capital of our company on incorporation comprised of ₹ 1,00,000/- consisting of 10,000 Equity Shares of ₹ 10 each.   |
| 2.      | February 28,2013                  | EGM      | The authorized share capital of ₹ 1,00,000/- consisting of 10,000 Equity shares of ₹ 10 each. was increased to ₹ 50,00,000/- consisting of 5,00,000 Equity Shares of ₹10/- each.    |
| 3.      | November 10,2022                  | EGM      | The authorized share capital of ₹50,00,000/- consisting of 5,00,000 Equity shares of ₹10/- each was increased to ₹5,00,00,000/-consisting of 50,00,000 Equity Shares of ₹10/- each. |

**Note:**

The present issue of 15,66,000 equity shares in terms of this Draft Prospectus has been authorized by a resolution of our Board dated December 20, 2022 and by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on January 02,2023

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 (April 23, 2010) | 10,000                        | 10               | 10                | Cash                    | Subscription to MoA <sup>1</sup>      | 10,000                          |
| February 07,2020                  | 13,250,                       | 10               | 3766              | Other than cash         | @ Preferential Allotment <sup>2</sup> | 23,250                          |
| November 21,2022                  | 23,250                        | 10               | 100               | Cash                    | Right Issue <sup>3</sup>              | 46,500                          |
| December 02,2022                  | 23,25,000                     | 10               | -                 | Other than cash         | Bonus Issue <sup>4</sup>              | 23,71,500                       |

@ Preferential Allotment (in form of Conversion of Loan).

1. 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.           | Viral Mehta        | 5,000                   |
| 2.           | Aesha Mehta        | 5,000                   |
| <b>Total</b> |                    | <b>10,000</b>           |

2. Conversion of Loan in to Equity Shares as on February 07,2020 of 13,250 Equity Shares of face value of Rs. 10 each fully paid up at a premium of Rs. 3756 per share, the details are given below:

| Sr. No       | Name of the Person | No of Shares Subscribed |
|--------------|--------------------|-------------------------|
| 1.           | Mitesh Adani       | 13,015                  |
| 2.           | Asha Adani         | 235                     |
| <b>Total</b> |                    | <b>13,250</b>           |

3. Issue of Right Shares as on November 21,2022 of 23,250 Equity Shares of face value of ₹10 each fully paid up at a premium of Rs.90 per share, the details are given below:

| Sr. No       | Name of the Person    | No of Shares Subscribed |
|--------------|-----------------------|-------------------------|
| 1.           | Niranjan Jain         | 6750                    |
| 2.           | Sangita Jain          | 1000                    |
| 3.           | Dineshsingh Kshatriya | 6750                    |
| 4.           | Sarojsingh Kshatriya  | 1000                    |
| 5.           | Jaikishan Sajnani     | 5000                    |
| 6.           | Veena Sajnani         | 2750                    |
| <b>Total</b> |                       | <b>23,250</b>           |

4. Issue of Bonus Shares (50:1) as on December 02, 2022 of 23,25,000 Equity Shares of face value of ₹ 10 each fully paid up, the details are given below:

| Sr. No       | Name of the Person    | No of Shares Subscribed |
|--------------|-----------------------|-------------------------|
| 1.           | Miteshbhai J. Adani   | 1135750                 |
| 2.           | Asha Mitesh Adani     | 26750                   |
| 3.           | Niranjan Jain         | 337500                  |
| 4.           | Sangita Niranjan Jain | 50000                   |
| 5.           | Dineshsingh Kshatriya | 337500                  |
| 6.           | Sarojsingh Kshatriya  | 50000                   |
| 7.           | Jaikishan Sajnani     | 250000                  |
| 8.           | Veena Sajnani         | 137500                  |
| <b>Total</b> |                       | <b>23,25,000</b>        |

**2. Equity Share Issued for consideration other than cash:**

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

| Date of Allotment | No. of Shares Allotted | Face Value | Issue Price    | Name of Allottees  | Nature of Allotment / Reason                     | Benefit Accrued                        |
|-------------------|------------------------|------------|----------------|--|--|--|
| February 07,2020  | 13250                  | 10         | 3766           | Mitesh Adani<br>Asha Adani   | Conversion of Unsecured Loan in to Equity Shares | Improvement in Debt Equity Ratio       |
| December 02,2022  | 2325000                | 10         | Not Applicable | Mitesh Adani<br>Asha Adani<br>Niranjan Jain<br>Sangita Jain<br>Dineshsingh Kshatriya<br>Sarojsingh Kshatriya<br>Jaikishan Sajnani<br>Veena Sajnani | Bonus Issue                                      | Retaining interest of the Shareholders |

- Our Company has not revalued its assets since inception by capitalizing any revaluation reserves.
- Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 230-234 of the Companies Act, 2013.
- 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.
- 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. However, our company has issued Bonus Shares during a period of one year preceding the date of the Draft Prospectus:

| Date of Allotment | No. of Shares Allotted | Face Value | Issue Price | Name of Allottees   | Promoter / Promoter Group                      | Nature of Allotment |
|-------------------|------------------------|------------|-------------|---|--|---------------------|
| December 02,2022  | 2325000                | 10         | NA          | Mitesh Adani<br>Asha Adani<br>Niranjan Jain<br>Sangita Jain | Promoter<br>Promoter Group<br>Public<br>Public | Bonus Issue         |

|  |  |  |  |                       |        |  |
|--|--|--|--|-----------------------|--------|--|
|  |  |  |  | Dineshsingh Kshatriya | Public |  |
|  |  |  |  | Sarojsingh Kshatriya  | Public |  |
|  |  |  |  | Jaikishan Sajnani     | Public |  |
|  |  |  |  | Veena Sajnani         | Public |  |

**7. Our Shareholding Pattern:**

The shareholding pattern of our company in accordance with Regulation 31 of SEBI (LODR) Regulations, 2015, as on February 06, 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 shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) |                         | No of shares Underlying Outstanding convertible securities (Including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2) | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 | Number of equity shares held in dematerialized form (XIV) |
|--------------|--------------------------------|---------------------------|---|---|--|--|---|---|-------------------------|---|--|----------------------------------|---------------------------------|---|---------------------------------|---|
|              |                                |                           |   |   |  |  |   | No of Voting Rights   | Total as a % of (A+B+C) |   |  | No. (a)                          | As a % of total shares held (b) | No. (a)   | As a % of total shares held (b) |   |
| (A)          | Promoter & Promoter Group      | 2                         | 1185750                                     | 0   | 0  | 1185750                                      | 50.00   | 1185750   | 50.00                   | 0   | 0  |                                  |                                 | 0   | 0                               | 0   |
| (B)          | Public                         | 6                         | 1185750                                     | 0   | 0  | 1185750                                      | 50.00   | 1185750   | 50.00                   | 0   | 0  | 0                                | 0                               | 0   | 0                               | 0   |
| (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   |
|              | <b>TOTAL</b>                   | <b>8</b>                  | <b>2371500</b>                              | <b>0</b>                                    | <b>0</b>   | <b>2371500</b>                               | <b>100</b>  | <b>2371500</b>  | <b>100.00</b>           | <b>0</b>  | <b>0</b>   |                                  |                                 | <b>N.A</b>  | <b>N.A</b>                      |   |

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

**8. 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 |
| <b>(i) Promoter</b>        |                       |                     |                          |                     |                          |
| 1.                         | Mitesh Adani          | 1158465             | 48.85                    | 1158465             | 29.42                    |
|                            | <b>TOTAL (A)</b>      | <b>1158465</b>      | <b>48.85</b>             | <b>1158465</b>      | <b>29.42</b>             |
| <b>(ii) Promoter Group</b> |                       |                     |                          |                     |                          |
| 2.                         | Yash Adani            | 27285               | 1.15                     | 27285               | 0.69                     |
|                            | <b>TOTAL (B)</b>      | <b>27285</b>        | <b>1.15</b>              | <b>27285</b>        | <b>0.69</b>              |
| <b>(iii) Public</b>        |                       |                     |                          |                     |                          |
| 3.                         | Niranjan Jain         | 344250              | 14.52                    | 344250              | 8.74                     |
| 4.                         | Sangita Jain          | 51000               | 2.15                     | 51000               | 1.30                     |
| 5.                         | Dineshsingh Kshatriya | 344250              | 14.52                    | 344250              | 8.74                     |
| 6.                         | Sarojsingh Kshatriya  | 51000               | 2.15                     | 51000               | 1.30                     |
| 7.                         | Jaikishan Sajnani     | 255000              | 10.75                    | 255000              | 6.48                     |
| 8.                         | Veena Sajnani         | 140250              | 5.91                     | 140250              | 3.56                     |
|                            | IPO                   | -                   | -                        | 1566000             | 39.77                    |
|                            | <b>TOTAL (C)</b>      | <b>1185750</b>      | <b>50.00</b>             | <b>2751750</b>      | <b>69.89</b>             |
|                            | <b>TOTAL (A+B+C)</b>  | <b>2371500</b>      | <b>100.00</b>            | <b>3937500</b>      | <b>100.00</b>            |

**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 Shares Capital |
|--------------|-----------------------|----------------|---------------------|
| 1.           | Mitesh Adani          | 1158465        | 48.85               |
| 2.           | Yash Adani            | 27285          | 1.15                |
| 3.           | Niranjan Jain         | 344250         | 14.52               |
| 4.           | Sangita Jain          | 51000          | 2.15                |
| 5.           | Dineshsingh Kshatriya | 344250         | 14.52               |
| 6.           | Sarojsingh Kshatriya  | 51000          | 2.15                |
| 7.           | Jaikishan Sajnani     | 255000         | 10.75               |
| 8.           | Veena Sajnani         | 140250         | 5.91                |
| <b>TOTAL</b> |                       | <b>2371500</b> | <b>100.00</b>       |

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

| Sr. No.      | Name of shareholder   | No. of Shares  | % of Shares Capital |
|--------------|-----------------------|----------------|---------------------|
| 1.           | Mitesh Adani          | 1158465        | 48.85               |
| 2.           | Yash Adani            | 27285          | 1.15                |
| 3.           | Niranjan Jain         | 344250         | 14.52               |
| 4.           | Sangita Jain          | 51000          | 2.15                |
| 5.           | Dineshsingh Kshatriya | 344250         | 14.52               |
| 6.           | Sarojsingh Kshatriya  | 51000          | 2.15                |
| 7.           | Jaikishan Sajnani     | 255000         | 10.75               |
| 8.           | Veena Sajnani         | 140250         | 5.91                |
| <b>TOTAL</b> |                       | <b>2371500</b> | <b>100.00</b>       |

**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 Shares Capital |
|---------|---------------------|---------------|---------------------|
| 1.      | Mitesh Adani        | 22715         | 97.70               |



|              |            |       |        |
|--------------|------------|-------|--------|
| 2.           | Asha Adani | 535   | 2.30   |
| <b>TOTAL</b> |            | 23250 | 100.00 |

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 Shares Capital |
|--------------|---------------------|---------------|---------------------|
| 1.           | Mitesh Adani        | 22715         | 97.70               |
| 2.           | Asha Adani          | 535           | 2.30                |
| <b>TOTAL</b> |                     | 23250         | 100.00              |

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 Promoter & Lock-in**

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

| Date of Allotment / Transfer | Nature of Issue/ Allotment (Bonus, Rights etc) | Consideration    | No. of Equity Shares | Cumulative No. of Equity Shares | Face Value (Rs.) | Issue/ Transfer Price | % of total Issued Capital |            | Lock In |
|------------------------------|--|------------------|----------------------|---------------------------------|------------------|-----------------------|---------------------------|------------|---------|
|                              |  |                  |                      |                                 |                  |                       | Pre-Issue                 | Post-Issue |         |
| Mitesh Adani                 |  |                  |                      |                                 |                  |                       |                           |            |         |
| September 07,2013            | Transferred                                    | Cash             | 5000                 | 5000                            | 10               | 10                    | 0.21                      | 0.13       | 1 year  |
| September 07,2013            | Transferred                                    | Cash             | 4000                 | 9000                            | 10               | 10                    | 0.17                      | 0.10       |         |
| February 02,2017             | Transferred                                    | Cash             | (4000)               | 5000                            | 10               | 10                    | (0.17)                    | (0.10)     |         |
| February 02,2017             | Transferred                                    | Cash             | 4000                 | 9000                            | 10               | 10                    | 0.17                      | 0.10       | 1 year  |
| February 02,2017             | Transferred                                    | Cash             | 500                  | 9500                            | 10               | 10                    | 0.02                      | 0.01       | 1 year  |
| February 02,2017             | Transferred                                    | Cash             | 200                  | 9700                            | 10               | 10                    | 0.01                      | 0.01       | 1 year  |
| February 07, 2020            | Allotment                                      | *Other than Cash | 13015                | 22715                           | 10               | 3766                  | 0.55                      | 0.33       | 1 year  |
| December 02,2022             | Bonus Issue                                    | Other than Cash  | 787500               | 810215                          | 10               | -                     | 33.21                     | 20.00      | 3 year  |
|                              |  |                  | 348250               | 1158465                         |                  |                       | 14.68                     | 8.84       | 1 year  |
|                              | <b>TOTAL</b>                                   |                  |                      | <b>11,58,465</b>                |                  |                       | 48.85                     | 29.42      |         |

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

\*Conversion of Loan in to Equity Shares

12. None of our Promoter, 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
13. 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.

**14. Lock in of Promoter:**

- a) As per clause (a) Regulation 238 of the SEBI (ICDR) Regulations and in terms of the aforesaid table, an aggregate of 20.00 % of the post-Issue Equity Share Capital of our Company i.e., 7,87,500 equity shares shall be locked in by our Promoter for three years. The lock-in shall commence from the date of allotment in the proposed public issue and the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. (“Minimum Promoters’ contribution”).

The Promoters’ contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI ICDR Regulations. Our Company has obtained written consents from our Promoter for the lock-in of 7,87,500 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.

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

In addition to 20.00% (7,87,500) 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. 3,70,965 the 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.

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

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 12,13,035 Equity shares held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

**16. Transferability of Lock-in securities:**

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

which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

**17. Other requirements in respect of 'lock-in'**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions 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.

18. 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.
19. 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.
20. All the Equity Shares of our Company are fully paid-up equity shares as on the date of the Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
21. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.
22. 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.
23. 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
24. As per RBI regulations, OCBs are not allowed to participate in this Issue.
25. 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.
26. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
27. 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.
28. 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.
29. Our Promoter and the members of our Promoter Group will not participate in this Issue.

- 30.** As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
- 31.** Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of filing of 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.
- 32.** Except Jaikishan Sajani, CFO, none of our Key Managerial Personnel holds any Equity Shares in our Company.
- 33.** Ason date of this Draft Prospectus, our Company has 8 Shareholders.

## SECTION IV - PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The present Public Issue of 15,66,000 Equity Shares at an issue price of ₹51 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 | 798.66                        |
| 2.                               | Less: Issue related expenses  | 108.66                        |
| <b>Net proceeds of the issue</b> |                               | <b>690.00</b>                 |

### Requirement of funds and utilization of Net Proceeds

| Sr. No.                                  | Particulars                           | Estimated Amount (₹ In lakhs) |
|--|---------------------------------------|-------------------------------|
| 1.                                       | Long term Working capital requirement | 518.00                        |
| 2.                                       | General corporate purposes            | 172.00                        |
| <b>Total utilization of net proceeds</b> |                                       | <b>690.00</b>                 |

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. 17 of this Draft Prospectus.

### Schedule of implementation and Deployment of Net Proceeds

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

(₹ In lakhs)

| Sr. No. | Particulars     | Total Estimated Cost | Amount already deployed | Estimated utilization of net proceeds in FY 2022-2023 | Estimated utilization of net proceeds in FY 2023-2024 |
|---------|-----------------|----------------------|-------------------------|---|---|
| 1.      | Working capital | 518.00               | 0                       | 250.00  | 268.00  |

|    |   |               |          |               |               |
|----|---|---------------|----------|---------------|---------------|
|    | requirement                             |               |          |               |               |
| 2. | General corporate purposes <sup>1</sup> | 172.00        | 0        | 172.00        | 0.00          |
|    | <b>Total</b>                            | <b>690.00</b> | <b>0</b> | <b>422.00</b> | <b>268.00</b> |

<sup>1</sup>The 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 2022-23. In the event that the estimated utilization of the Net Proceeds in a Financial Year 2022-23 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

The Company was in manufacturing of readymade garment and trading of goods. In the year 2022, under the policy of light asset model the Company has sold the Manufacturing unit and concentrated on the trading of the goods. The Working capital estimates for the future are based on the FY 2021-22. The total working capital requirement for the FY 2021-22 was ₹ 1669.47 lacs and the same is financed by the Capital and cash accruals of the Company.

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

(₹ In lakhs)

| Particulars                                     | 31.03.2020     | 31.03.2021     | 31.03.2022     | 31.03.2023     | 31.03.2024      |
|---|----------------|----------------|----------------|----------------|-----------------|
|   | Audited        | Audited        | Audited        | Projected      | Projected       |
| Inventories                                     | 2165.56        | 1899.91        | 2063.98        | 1405.48        | 1873.97         |
| Trade Receivables                               | 983.37         | 5891.45        | 7071.92        | 7397.26        | 9863.01         |
| Cash and Bank Balances                          | 44.42          | 9.43           | 3.4            | 11.64          | 13.09           |
| Short term loans and Advances                   | 381.2          | 333.99         | 309.44         | 545.00         | 550.00          |
| Other current Assets                            | 28.45          | 88.68          | 41.55          | 50.00          | 60.00           |
| Other Non Current Assets                        |                |                |                |                |                 |
| <b>Total</b>                                    | <b>3603</b>    | <b>8223.46</b> | <b>9490.29</b> | <b>9409.38</b> | <b>12360.08</b> |
| Less :  |                |                |                |                |                 |
| Trade Payables                                  | 2150.94        | 6568.5         | 7420.37        | 7964.38        | 10619.18        |
| other Current Liabilities                       | 87.77          | 112.46         | 20.91          | 15.00          | 27.90           |
| Short Term Provisions                           | 207.97         | 204.25         | 61.34          | 30.00          | 45.00           |
| <b>Total Liabilities</b>                        | <b>2446.68</b> | <b>6885.21</b> | <b>7502.62</b> | <b>8009.38</b> | <b>10692.08</b> |
| Net Working Capital                             | 1156.32        | 1338.25        | 1987.67        | 1400.00        | 1668.00         |
| Less : Bank Borrowings                          | 703.71         | 685.78         | 505.54         |                |                 |
| Balance   | 452.61         | 652.47         | 1482.13        | 1400.00        | 1668.00         |
| Financed through Capital Internal Cash Accruals | 452.61         | 652.47         | 1059.41        | 1150           | 1150            |
| Short term borrowings                           | 0              |                | 422.72         | 0.00           | 0.00            |
| Fund from IPO                                   |                |                |                | 250.00         | 518.00          |

### Assumptions for working capital requirements.

The Company was in manufacturing and trading activity up to FY 2021, in the Year 2022, the Company has sold the manufacturing plant and under the light asset model continue to concentrate on trading. The breakup of trading and Manufacturing turnover is given below.

(₹ In lakhs)

| Financial year         | F.Y 2019-20 | F.Y 2020-21 | F.Y 2021-22 | For 6 months period September 2022 |
|------------------------|-------------|-------------|-------------|------------------------------------|
| Manufacturing Turnover | 6375.75     | 5637.29     | 8056.79     | -                                  |
| Trading Turnover       | 2685.29     | 8493.97     | 15654.12    | 8552.01                            |

The assumptions for the Working capital was based on the FY2021-22.

| Particulars       | No of months holding period |               |                |   | Justification for Holding  |
|-------------------|-----------------------------|---------------|----------------|---|--|
|                   | F.Y. 2019-2020              | F.Y.2020-2021 | F.Y. 2021-2022 | F.Y. 2022-23 and F.Y. 2023-24 (Estimated) |  |
| Finished Goods    | 118                         | 55            | 35             | 30  | The finished goods have been considered on the basis of the stocking period of FY 2021-22 and on the basis of Half year stocking period ended on September 30, 2022. |
| Trade Receivables | 37                          | 147           | 106            | 150                                       | The trade receivables are on the basis of FY 2021-22 and half year ended on September 30, 2022.  |
| Trade Payables    | 117                         | 192           | 127            | 170                                       | The trade Payables are on the basis of FY 2021-22 and half year ended on September 30, 2022.   |

## 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.172.00lakhs 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 ₹108.66lakhs. The expenses of this include, among others, underwriting and lead manager fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated issue expenses are as follows:

| Activity   | Estimated expenses (₹ in lakhs) | As a % of total estimated issue related expenses | As a % of Gross Issue Size |
|--|---------------------------------|--|----------------------------|
| Lead Manger Fees including Underwriting Commission.  | 24.00                           | 22.09  | 3.01                       |
| Brokerage, selling commission and Marketing Expenses | 48.00                           | 44.17  | 6.01                       |
| Registrar to the Issue                               | 1.00                            | 0.92   | 0.13                       |
| Legal Advisors                                       | 3.00                            | 2.76   | 0.38                       |

| Activity                                      | Estimated expenses (₹ in lakhs) | As a % of total estimated issue related expenses | As a % of Gross Issue Size |
|---|---------------------------------|--|----------------------------|
| Advertising and marketing expenses            | 6.00                            | 5.52   | 0.75                       |
| Regulators including stock exchanges          | 11.66                           | 10.73  | 1.46                       |
| Printing and distribution of issue stationary | 3.00                            | 2.76   | 0.38                       |
| Others (Market Making fees etc.)              | 12.00                           | 11.04  | 1.50                       |
| <b>Total estimated issue related expenses</b> | <b>108.66</b>                   | <b>100.00</b>                                    | <b>13.61</b>               |

**Notes:**

- The fund deployed up to February 03, 2023 is Rs. 2.95 Lakh towards issue expenses vide certificate dated February 03, 2023 having UDIN: 23038215BGXHV7327 received from M/s. Shreekant S. Shah & Co., Chartered Accountants.
- Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

|  |   |
|--|---|
| ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) | ₹ 10 per application on wherein shares are allotted |
| Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them)  | ₹ 10 per application on wherein shares are allotted |
| Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank  | ₹10 per application on wherein shares are allotted  |
| Sponsor Bank shall be payable processing fees on UPI application processed by them   | ₹ 5 per application on wherein shares are allotted  |

- No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them
- The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.
- Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

**Interim use of Net Proceeds**

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

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

**Bridge Financing Facilities**

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

**Appraisal Report**

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

**Monitoring Utilization of Funds**

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

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



unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

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

### **Variation in Objects**

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

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

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

### **Other Confirmation**

No part of the proceeds of the Issue will be paid by us to the Promoter 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 ₹51.00/- 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 ₹51.00/- per Equity Share. The Issue Price is 5.1 (Five point One) 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 17, 99, 136 and 67 respectively of this Draft Prospectus to get an informed view before making an investment decision.

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

### Qualitative Factors

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

- Experienced Promoter
- Quality Service
- High level of customer satisfaction
- Established relations with suppliers
- Existing Client relationship
- Expand Geographical Growth

For further details, please refer to the paragraph titled “Our Competitive Strengths” in the chapter titled “Business Overview” beginning on page 67 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) | Weights | Basic and Diluted EPS(post Bonus) \$ | Weights     |
|------------------------------|-----------------------------------|---------|--------------------------------------|-------------|
| March 31, 2020               | 348.89                            | 1       | 1.79                                 | 1           |
| March 31, 2021               | (27.87)                           | 2       | (.28)                                | 2           |
| March 31, 2022               | 190.92                            | 3       | 1.89                                 | 3           |
| <b>Weightage Average EPS</b> | <b>144.32</b>                     |         |                                      | <b>1.15</b> |
| <b>September 30, 2022*</b>   | <b>54.54</b>                      |         |                                      | <b>0.54</b> |

\*Not Annualized

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

\$The above ratios have been adjusted for issuance of bonus of 23,25,000 Equity shares on September 30,2022.

#### 2) Price to Earnings (P/E) ratio in relation to Issue Price ₹51.00/- per Equity Share of ₹10.00/- each fully paid up

| Particulars  | P/E ratio |
|--|-----------|
| <b>Pre Bonus</b>   |           |
| P/E ratio based on Basic and diluted EPS as at March 31, 2022      | 0.15      |
| P/E ratio based on Weighted Average Basic and diluted EPS          | 0.35      |
| P/E ratio based on Basic and diluted EPS as at September 30, 2022* | 0.94      |
| <b>Post Bonus</b>  |           |

|  |       |
|--|-------|
| P/E ratio based on Basic and diluted EPS as at March 31, 2022      | 28.49 |
| P/E ratio based on Weighted Average Basic and diluted EPS          | 44.35 |
| P/E ratio based on Basic and diluted EPS as at September 30, 2022* | 94.44 |
| <b>**Industry</b>  |       |
| Highest  | 38.25 |
| Lowest   | 13.79 |
| Average  | 26.02 |

\*Not Annualized

\*\*Industry comprises of Thomas Scott (India) Limited and Bang Overseas Limited listed on BSE Limited

### 3) Return on Net worth (RoNW)

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

| Year Ended                 | RONW (%) | Weight      |
|----------------------------|----------|-------------|
| March 31, 2020             | 3.71     | 1           |
| March 31, 2021             | (0.58)   | 2           |
| March 31, 2022             | 3.82     | 3           |
| <b>Weighted Average</b>    |          | <b>2.34</b> |
| <b>September 30, 2022*</b> |          | <b>1.08</b> |

\*Not Annualized

Note: Return on Net Worth 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 Pre-Bonus | ₹ per share Post Bonus |
|---|-----------------------|------------------------|
| Net Asset Value per Equity Share as of March 31, 2022     | 5002.03               | 49.53                  |
| Net Asset Value per Equity Share as of September 30, 2022 | 5056.57               | 50.07                  |
| Net Asset Value per Equity Share after IPO                | 50.73                 | 50.73                  |
| Issue Price   |                       | 51                     |

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 (₹ in Lakhs) |
|------------------------------|-------|--------|----------|----------|-----------------|------------|---------------------------|
| Vivaa Tradecom Limited       | **51  | 190.92 | 0.15     | 3.82     | 5002.03         | 10.00      | 24728.70                  |
| <b>Peer Group</b>            |       |        |          |          |                 |            |                           |
| Thomas Scott (India) Limited | 43.60 | 1.14   | 38.25    | 6.13     | 18.59           | 10         | 3246.30                   |
| Bang Overseas Limited        | 45.35 | 3.29   | 13.79    | 5.15     | 63.86           | 10         | 8232.49                   |

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

\*CMP as on February 01,2023

Source: [www.bseindia.com](http://www.bseindia.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 Vivva Tradecom Limited is based on the restated standalone financial statements for the year ended March 31, 2022.*
- c) *The figures of Thomas Scott India Limited and Bang Overseas Limited are based on the Standalone financial statements for the year ended March 31, 2022 of (filed with BSE Limited, Stock Exchange)*
- d) *CMP of the peer group is as per the closing price as available on [www.bseindia.com](http://www.bseindia.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 February 01,2023 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 17 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 99 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.51.00/- has been determined by the Issuer in consultation with the Lead Manager and is justified by the company in consultation with the Lead Manager on the basis of above information.

## STATEMENT OF TAX BENEFITS

To,  
The Board of Directors,  
Vivaa Tradecom Limited  
17, Pirana Piplej Road, Saijpur (Gopalpur),  
Piplej, Ahmedabad – 382405, Gujarat

Dear Sir,

**Sub: Statement of Possible Special Tax Benefits available to Vivaa Tradecom 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 no 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, 2022, presently in force in India.

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. Shreekant S. Shah & Co.,  
Chartered Accountants  
Firm Reg No: 110177W**

**Sd/-  
Shreekant S. Shah  
Partner  
Mem. No: 038215  
UDIN: 23038215BGXHVG3725**

**Place: Ahmedabad  
Date: February 03, 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 17 and 99, 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 17 of the Draft Prospectus. Accordingly, investment decisions should not be based on such information.*

### AN OVERVIEW OF ECONOMY

#### WORLD ECONOMY

According to the United Nations World Economic Situation and Prospects (WESP) 2022 report, the global economic recovery is facing significant headwinds amid new waves of COVID- 19 infections, persistent labour market challenges, lingering supply-chain challenges and rising inflationary pressures. After expanding by 5.5 percent in the year 2021, the global output is projected to grow by 4.0 percent in the year 2022 and 3.5 percent in the year 2023.

Global merchandise trade has already surpassed pre-pandemic levels, maintained by strong demand for electrical and electronic equipment, personal protective equipment, and other manufactured goods. Manufacturing dependent economies have fared better, both during the crisis and the recovery period, but a quick rebound looks unlikely for tourism- and commodity-dependent economies. Trade in services, in particular tourism, will remain depressed amid slow lifting of restrictions on international travel and fear of new waves of infection in many developing countries.

The World Economic Outlook (WEO) of October-2021 has estimated India's economy to become the sixth largest in the world. The size of the Indian economy is estimated at US\$ 2.9 trillion in 2021 is given in the Table-1.

| S R No: | Country        | 2019 | 2020 | 2021 (E) |
|---------|----------------|------|------|----------|
| 1.      | United States  | 21.4 | 20.9 | 22.9     |
| 2.      | China          | 14.3 | 14.9 | 16.9     |
| 3.      | Japan          | 5.1  | 5.0  | 5.1      |
| 4.      | Germany        | 3.9  | 3.8  | 4.2      |
| 5.      | United Kingdom | 2.8  | 2.7  | 3.1      |
| 6.      | India          | 2.9  | 2.7  | 2.9      |
| 7.      | France         | 2.7  | 2.6  | 2.9      |
| 8.      | Italy          | 2.0  | 1.9  | 2.1      |
| 9.      | Canada         | 1.7  | 1.6  | 2.0      |
| 10.     | Korea          | 1.7  | 1.6  | 1.8      |

#### INDIAN ECONOMY



To convert COVID-19 pandemic related challenges into opportunity, a series of measures have been taken by the GoI to improve the economic situation including inter-alia announcement of the Atma nirbhar package amounting to Rs.29.87 lakh crore. Targeted interventions were made to support the economy and livelihood. Moreover, the pace of structural reforms is expedited.

India is among the top three nations in the world which are leading the global renewable energy growth. India added 10 GW of solar and wind capacity in the first nine months of 2021.

Sustainable Development Goal 3.0 report is released by NITI Aayog, GoI. India's overall score improved by six points, from 60 in 2019 to 66 in 2020-21, across all sustainable development targets.

India's Goods and Services Tax (GST) revenue posted another strong month, rising 13% from a year ago to Rs. 129780 crores in December 2021 and all time higher Rs. 1.40 lakh crore in January 2022, indicating the rapid economic recovery after the second wave.

According to Economic Survey-2022, Indian economy is in a good position to witness GDP growth of 8.0-8.5 percent in the year 2022-23.

The Reserve Bank of India has retained its growth forecast at 9.5% for financial year 2021-22 while revising down its inflation forecast to 5.3%.

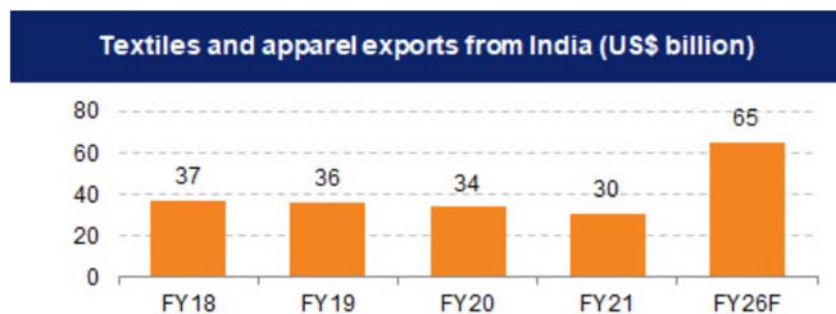
The International Monetary Fund (IMF) has retained India's GDP growth projections for the financial year 2021-22 at 9.5% and forecasts 8.5% expansion the next year, retaining the fastest growing major economy tag.

(Source:Socio-Economic Review Gujarat State 2021-2022)

## MARKET SIZE

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel.

India is the world's largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season 2021-22. Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Cotton production in India is projected to reach 7.2 million tonnes (43million bales of 170 kg each) by 2030, driven by increasing demand from consumers



Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while for yarn, the production stood at 4,762 million kgs during the same period.

India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. India's textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. India's textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22. India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

## **INVESTMENT AND KEY DEVELOPMENT**

The industry (including dyed and printed) attracted foreign direct investment (FDI) worth US\$ 4.03 billion from April 2000-June 2022. The textiles sector has witnessed a spurt in investment during the last five years.

- 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.
- In November 2022, local weavers in Tuensang in Nagaland were provided 45 days of skill-upgrading training, which would equal 315 hours under the SAMARTH programme.
- In 2022-23, the Sardar Vallabhbhai Patel International School of Textiles and Management (SVPITM) is planning to offer B.Sc. and MBA courses in technical textiles.
- In November 2021, 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.
- Companies in home textile are using technology to optimise the value chain. For example, in October 2021, Welspun India introduced Wel-Trak 2.0—an upgraded, patented end-to-end traceability technology—to track textile raw materials throughout the supply chain.
- Home textile companies in India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.
- In October 2021, Welspun India collaborated with DuPont Biomaterials to introduce a home textile range and strengthen the company's sustainable textiles business.
- In May 2021, Indo Count Industries Ltd. (ICIL) announced an investment of Rs. 200 crore (US\$ 26.9 million) to expand its production capacity.
- In April 2021, RSWM Limited, flagship company of the US\$ 1.2 billion LNJ Bhilwara Group, was recognised for achieving the highest textile export turnover in 2020 by the Ministry of Industries & CSR, Government of Rajasthan.
- In April 2021, Bella Casa Fashion & Retail Ltd. (BCFRL) announced that it is expanding its two existing plants and adding one new facility to offer employment opportunities to 1,000 people. The expansion would involve a total investment of Rs. 65 crore (US\$ 8.63 million).

(Source: <https://www.ibef.org/industry/textiles>)

## **GOVERNMENT INITIATIVES**

### **Gujarat Textile Policy-2012**

Industries and Mines Department, Government of Gujarat has announced Gujarat Textile Policy - 2012 to encourage whole textile value chain by providing interest subsidy and other incentives. Scheme duration is completed on dated 03/09/2018, but the process of the sanctioned claims is continuing.

### **Gujarat Garments & Apparel Policy- 2017**

Gujarat Garments and Apparel Policy-2017 has been declared by the Government of Gujarat. Under this scheme various incentives like interest subsidy, power tariffs, pay roll assistance, assistance for plug and play system through GIDC, assistance for dormitories, assistance for skill development and establishment of mega apparel park is included.

### **Scheme for assistance to Strengthen Specific Sector in the Textile Value Chain**

Government of Gujarat has decided to come out with a new scheme to strengthen the value chain and extend

support to Textile Industry vide Industries & Mines Department G.R. No. TEX/102018/ 3327/Ch, dated 10/01/2019, which includes following schemes.

Scheme-1: Interest Subsidy

Scheme-2: Power Tariff Subsidy.

Scheme-3: Assistance for Energy and Water conservation and Environment compliances

Scheme-4: Assistance for Technology acquisition and upgradation.

Scheme-5: Support for establishing Textile Park.

The operative period of the above scheme is from 4th September 2018 to 31<sup>st</sup> December 2023.

Under this scheme, assistance up to maximum of Rs. 5.00 crore at 55% of the cost of shed has been given.

Under this scheme, the principal approval has been given to total 17 projects since 2015. On receipt of claims for approved projects, disbursement will be made.

The Indian government has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route.

(Source: Socio-Economic Review Gujarat State 2021-2022)

**Other initiatives taken by the Government of India are:**

- In November 2022, Tamil Nadu Chief Minister 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 and Industry, Consumer Affairs & Food and Public Distribution, Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.
- In June 2022, Amazon India signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDC), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state.
- In June 2022, the Kerala government announced that it would provide free training to 1,975 candidates under the SAMARTH scheme of the textile industry.
- 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.
- In May 2022, Minister of Micro, Small and Medium Enterprises, 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 April 2022, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Piyush Goyal, said that new Economic Cooperation and Trade Agreements with Australia and the UAE would open infinite opportunities for textiles and handloom. Indian textile exports to Australia and the UAE would now face zero duties, and he expressed confidence that soon Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.
- In March 2022, the Ministry of Textiles, in collaboration with the Confederation of Indian Industries (CII), organized a day-long International Conference on Technical Textiles with the theme: Creating the Winning Leap in Technical Textiles.
- The 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.

- The Government of India has earmarked a corpus of Rs. 1,000 crore (US\$ 127.72 million) dedicated for research and development of the technical textiles sector.
- In March 2022, the Bihar government submitted a proposal to the Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park.
- In March 2022, Tamil Nadu Chief Minister 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.
- Under the Union Budget 2022-23, the total allocation for the textile sector was Rs. 12,382 crore (US\$ 1.62 billion). Out of this, Rs.133.83 crore (US\$ 17.5 million) is for the Textile Cluster Development Scheme, Rs. 100 crore (US\$ 13.07 million) for the National Technical Textiles Mission, and Rs. 15 crore (US\$ 1.96 million) each for PM Mega Integrated Textile Region and Apparel parks scheme and the PLI Scheme.
- For export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.
- The Ministry of Textiles has also been implementing the Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.
- In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US\$ 10 billion over the next three years.
- The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.
- Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Piyush Goyal, announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of Rs. 30 crore (US\$ 4.03 million) under the National Handloom Development Programme (NHDP).

## ROAD AHEAD



The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring.

Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population and increasing demand by sectors like housing, hospitality, healthcare, etc.

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

(Source: <https://www.ibef.org/industry/textiles>)

#### Country-wise Production and Consumption of Cotton

| Country                  | 2019-20      |              | 2020-21      |              | 2021-22      |              |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                          | Production   | Consumption  | Production   | Consumption  | Production   | Consumption  |
| <b>China (Main Land)</b> | 5.80         | 7.23         | 5.91         | 8.40         | 5.73         | 8.32         |
| <b>India</b>             | 6.21         | 4.58         | 6.00         | 5.70         | 5.36         | 5.54         |
| <b>USA</b>               | 4.34         | 0.47         | 3.18         | 0.52         | 3.81         | 0.56         |
| <b>Pakistan</b>          | 1.46         | 2.34         | 0.96         | 2.15         | 1.27         | 2.45         |
| <b>Brazil</b>            | 3.00         | 0.57         | 2.36         | 0.69         | 2.82         | 0.70         |
| <b>Uzbekistan</b>        | 0.53         | 0.72         | 1.03         | 0.80         | 0.94         | 0.84         |
| <b>Vietnam</b>           | 0.00         | 1.45         | 1.45         | 1.52         | 0.00         | 1.68         |
| <b>Bangladesh</b>        | 0.04         | 1.50         | 1.50         | 1.64         | 0.04         | 1.73         |
| <b>Others</b>            | 4.90         | 4.19         | 4.19         | 4.25         | 5.91         | 4.35         |
| <b>World total</b>       | <b>26.27</b> | <b>23.05</b> | <b>24.38</b> | <b>25.66</b> | <b>25.89</b> | <b>26.16</b> |

(Source: World: Journal 'Cotton This Month' – June 1, 2022, India: COPC Meeting dated 23.05.2022)

## **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 17 of this Draft Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “Risk Factors” and the chapters titled “Restated Financial Statement” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no 17, 99 and 136 of this Draft Prospectus.

In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Our” and “Viva” are to M/s. Vivaa Tradecom 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 “Anantnath Infracon Private Limited” under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 23, 2010 bearing Corporate Identification Number U70101GJ2010PTC060395 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of our company has changed to “Vivaa Tradecom Private Limited” vide Fresh Certificate of Incorporation dated September 06, 2012 bearing Corporate Identification Number U17120GJ2010PTC060395. Further, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 02, 2022 and consequently the name of our Company was changed to “Vivaa Tradecom Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated December 14, 2022. The CIN of the Company is U17120GJ2010PLC060395. For further details, please refer the chapter titled “History and Certain Corporate Matters” beginning on page 82 of this Draft Prospectus.

Our Company was incorporated in the year 2010 by Viral Mehta and Aesha Mehta. The Company was taken over by the existing promoter in September, 2012. Mitesh Adani, promoter, is experienced and key management person and the backbone behind the expansion.

Initially our Company was engaged in the trading of Textile Fabrics and Readymade Garments. In the year 2013, our company hadacquired the ongoing manufacturing business of Readymade Garments under Slump Sale Agreement from M/s. Parikh Impex Private Limited along with goodwill, brand name and knowhow and the entire assets and liabilities along with their trained labourer.

The Company is engaged in the manufacturing as well as trading of Cloths and Garments. We were selling readymade garments to various reputed clients on Pan India basis. Lifestyle International Pvt. Ltd., Aditya Birla Fashion and Retail Ltd., Lajja Polyfab Pvt. Ltd., Nandan Denim Limited, Bajaj Impex, Reliance Retailes Limited etc were the some of our reputed clients. Denim jeans garments and denim cloths was one of our most traded segment. We are directly purchasing readymade garments and cotton and Jeans garments from the market and sale it to our customers. From April 2022 our major business is with the Ahmedabad based buyer and seller. In most of the cases our purchases are based on the order received by us from our clients, however some times, looking to the market supply and demand position, we purchase and store the garments and cloths in view get better margin. He has gained rich knowledge and knows all the intricacies of the trading business. Generally, we are purchasing our trading materials above 100 days credit and we are also selling it to our customers above 100 days credit. Our major trading activities are now a day is concentrated within the Gujarat.

#### **Sale of Manufacturing Unit (Factory)**

On March 31, 2022, our company has sold the Factory under the Business undertaking as going concern basis, by way of slump sale to Globe Textiles (India) Ltd. at a consideration of Rs.26.43 crores (Rupees Twenty Six Crores Forty Three lacs only). The Factory was sold under slump sale. We have turn into Assets Light Model while selling the manufacturing units.

Our company carry out the trading of Denim Fabric, readymade garments such as Denim/Cotton Jeans for Men, Denim/Cotton Jeans for Women and also undertake the Cotton Printing Job work and trade in Printed Cotton Fabric.

## **A. Denim**

### **I. Men**

Our Company holds the distinction in supplying denim garments i.e. denim jeans for men. We supply our denim jeans for men in different colours to our buyers who are basically big ticket retailers and popular brands in Middle East, Far East, Asia and rest of the world. Our hot selling brands “Afford” and” Indigen” have mark in domestic markets with massive demands coming in from all over India

Denim Jeans Men



### **II. Women**

The company holds distinction in supply in denim garments – i.e. denim jeans and joggings for women.

Denim Jeans -Women



## **B. Non Denim**

### **I. Women**

Our cotton pants are made from 100% cotton or cotton lycra and satin blends to offer soft, stretchy and skinny looks. Select from range of hot colours like Purple, Satin, Black Satin, Pink Satin, Beige, Printed, Lycra, Green Printed Lycra, White, Peach puff, Yellow and Blue Satin colours selling under brand – Indie Girl which has already debuted online for wider market share



## Printed Fabrics



## II. Fabrics

Our company was also in the business of manufacturing and trading of Jeans and Cotton fabrics. In fabric segment our main business activities were in following fabric:

- a. Denim
- b. Non Denim

Denim Rolls



Our Company was in Trading as well as manufacturing activities till F.y 2021-22. The details of income from trading and manufacturing are as under:

(Rs. in Lacs)

| Sr.No. | Particulars    | September 30, 2022 | 2021-22         | 2020-21         | 2019-20        |
|--------|----------------|--------------------|-----------------|-----------------|----------------|
| 1      | Manufacturing  | -                  | 6516.53         | 4560.76         | 7385.85        |
| 2      | Trading        | 8552.01            | 16578.54        | 10029.65        | 2354.71        |
| 3      | Job Work Basis | 0.00               | 609.40          | 507.71          | 758.50         |
|        | <b>Total</b>   | <b>8552.01</b>     | <b>24320.31</b> | <b>14638.97</b> | <b>9819.55</b> |

Our major business was with Gujarat clients; however we were also supplying our readymade garments and Cotton and Jeans cloths to the clients spread over in the other states of our country. The details of state wise sale during last 3 years are as under:

(Rs. in Lacs)

| State       | September 30, 2022 | 2021-22  | 2020-21  | 2019-20 |
|-------------|--------------------|----------|----------|---------|
| Gujarat     | 8250.05            | 19793.09 | 12333.15 | 6225.39 |
| Karnataka   | 113.93             | 1088.39  | 920.37   | 1201.49 |
| Maharashtra | 59.39              | 369.51   | 232.87   | 807.68  |



|              |                |                 |                 |                |
|--------------|----------------|-----------------|-----------------|----------------|
| West Bengal  | 31.37          | 234.05          | 145.48          | 558.28         |
| Tealanga     | 32.79          | 348.88          | 218.67          | 385.68         |
| UP           | 31.27          | 236.89          | 200.98          | 350.76         |
| Haryana      |                | 158.27          | 357.03          | 202.67         |
| Delhi        | 25.44          | 865.70          | 181.85          | 0.31           |
| M.P.         |                | 0.30            |                 | 6.24           |
| Tamilnadu    |                |                 |                 | 0.93           |
| Bihar        |                |                 |                 | 0.94           |
| Punjab       |                |                 |                 | 0.16           |
| <b>Total</b> | <b>8544.24</b> | <b>23095.07</b> | <b>14590.41</b> | <b>9740.56</b> |

## **OUR COMPETITIVE STRENGTHS:**

### ***Experienced Promoter***

The Promoter of our Company has significant in depth knowledge of the various products traded by the Company such as Readymade Garments, Denim and printed cloths and has been instrumental in the consistent growth of our Company's performance. He is having overall experience of more than decade in the trading segments of textile industry. We believe that our promoter's experience and their understanding of the business will enable us to continue to take advantage of both current and future market opportunities.

### ***Quality Service***

We believe in providing quality product and timely service to our customers. We have set very high standards for ourselves when it comes to timeliness and quality of product we provide to our customers. The stringent systems ensure that all the products reach our customers on stipulated time and there are minimum errors to ensure reduced product rejection. We believe that our quality product procurement e has earned us a goodwill from our customers, which has resulted in customer retention and order repetition. It has also helped us to add to our existing customer base. We have developed internal procedure of checking the client orders at each stage from customer order to delivery. Our company focuses on maintaining the level of consistently in our service, thereby building customer loyalty for trading materials.

### ***High level of customer satisfaction***

Our customers are highly satisfied with our services ranging from purchase order, delivery to customer, quality product and customer complain redressal mechanism. We have been able to achieve this customer satisfaction with the help of timely deliveries, ease of placing orders and our stellar customer services, this has helped in creating a customer base.

### ***Established relations with suppliers***

Our Company is engaged in the business of trading of readymade garments and Denim & Printed cloths. Our company has developed and established relations with the suppliers, so that our company can ensure a steady and uninterrupted supply of Readymade Garments, Denim and Printed fabrics to our customers. We believe that our strong relationships with suppliers will enable us to continue to grow our business. Due to our relationships with our suppliers, we get quality product and timely supplies of materials. This enables us to manage our inventories and supply quality products on timely basis to our customers. This in turn has enabled us to generate repeat business.

### ***Existing client relationship***

We believe in constantly addressing the customer needs for variety of our products. Our existing relationships help us to get repeat business from our customers. This has helped us to maintain a long term working relationship with our customers and improve our customer retention strategy. We have strong existing client relationships which generates multiple repeat orders. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

### ***Expand geographical reach***

Our clients were spread over most of the major cities of our country. However, in view of COVID-19, our business was concentrated within the Gujarat region and more particularly in Ahmedabad. We intend to expand our presence by identifying markets where we can provide cost-effective and quality products to prospective customers. Further, we seek to capitalize on our existing experience, established contacts with customers and manufactures.

#### **OUR BUSINESS STRATEGY:**

##### ***Improving operational efficiencies***

Our Company intends to improve efficiencies to achieve the purchases at very competitive rate. We believe that this can be achieved through domestic presence and personal attention. In view of handling local business personally by our promoter, we are enabled us to penetrate into new catchment areas within these regions. As a result of these measures, our company will be able to increase its market share and profitability.

##### ***Asset light Model***

Company has disposed off its manufacturing units and therefore our promoter and management will able pay more and more attention to expand our trading activities. Our major purchases are ordered based and only in few cases we are purchasing trading materials without order, so we don't require to stock trading materials in huge quantity.

##### ***Diversification- addition in our Trading Activities***

Currently our company's trading activities are focused only in readymade garments and Denim and cotton cloths; however we intend to open office in Andhra Pradesh for Laminated Sheets Trading business. With this diversification in additional business, we will be able to increase our revenue.

##### ***Develop cordial relationship with our Suppliers, Customer and employees***

We believe in maintaining good relationship with our Suppliers and Customers which is the most important factor to keep our company growing. Our dedicated and focused approach and efficient and timely delivery of products has helped us build strong relationships over number of years. We bag and place repetitive order with our customers as well as with our suppliers respectively. Currently our most of the clients and suppliers are local, so personal attention and contact can be taken care of, to built up two way strong relationship.

For us, establishing strong, mutually beneficial long-term relationships and strategic supplier relationship management are critical steps in improving performance.

##### ***Leveraging our Marketing skills and Relationships***

This is a continuous process in our organization and the skills that we impart in our people to give prime importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customers' base by supplying orders in hand on time, maintaining and renewing our relationship with existing clients.

##### ***Focus on dealing in quality standard products***

Quality of the product is very important for the company from both customer point of view and growth point of view. Our Company is focused on dealing in the products which meets with the requisite quality standards as per the applicable regulatory norms. Providing the desired and good quality products help us in enhancing our Company's image and maintaining long term relationships with customers.

**The % of top 10 Buyers and Suppliers of Our Company is as under:**

**(in ₹ Lacs)**

| Particulars   | Purchase / Sales   |       |          |       |          |       |         |       |
|---------------|--------------------|-------|----------|-------|----------|-------|---------|-------|
|               | September 30, 2022 | %     | 2021-22  | %     | 2020-21  | %     | 2019-20 | %     |
| Top 10 Buyers | 8951.17            | 99.64 | 23095.07 | 65.67 | 14590.41 | 78.99 | 9740.56 | 42.45 |

|                  |         |       |          |       |          |       |         |        |
|------------------|---------|-------|----------|-------|----------|-------|---------|--------|
| Top 10 suppliers | 8778.17 | 99.97 | 22868.87 | 50.73 | 13037.36 | 68.65 | 8532.94 | 41.73% |
|------------------|---------|-------|----------|-------|----------|-------|---------|--------|

#### **CAPACITY UTILIZATION:**

Our Company had discontinued the Manufacturing activity and at present doing trading activity. The details of past Installed, and utilised capacities are as under:

| Sr. No. | Particulars         | 2021-22        | 2020-21        | 2019-20        |
|---------|---------------------|----------------|----------------|----------------|
| 1       | Installed Capacity  | 900000 (Units) | 900000 (Units) | 900000 (Units) |
| 2       | Utilised Capacity   | 720042(Units)  | 469942(Units)  | 745464(Units)  |
| 3       | Percentage Achieved | 80%            | 52%            | 83%            |

As on today, we do not have our own manufacturing facility and we are mainly engaged in trading business, thus any specific data relating to capacity and capacity utilization does applicable to our Company w.e.f. April 01,2022.

#### **PLANT & MACHINERY:**

As on date of this Draft Prospectus, Our Company does not possess any plant & machinery.

#### **INFRASTRUCTURE FACILITIES:**

##### **Location**

**Registered Office:**17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad – 382405, Gujarat

##### **Water:**

Water is required for the drinking purpose. Water supply requirement is being fulfilled through water supplied by our municipal corporation only.

##### **Power:**

Our Registered Office has power connection from Torrent Power Limited. As on date of this Draft Prospectus our Company does not required much power supply and power failure does not affect the business of our Company.

#### **HUMAN RESOURCES:**

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

As on January 31, 2023, we have the total strength of permanent employees 4 in various departments. The details of which is given below:

| Sr. No. | Particulars          | Employees |
|---------|----------------------|-----------|
| 1)      | Management Team      | 2         |
| 2)      | Store                | 1         |
| 3)      | Marketing Department | 1         |
|         | <b>Total</b>         | <b>4</b>  |

#### **COLLABORATIONS/TIE UPS/ JOINT VENTURES:**

As on date of this Draft Prospectus, our Company has not entered into any Collaboration/ Tie-Ups/ Joint Ventures.

#### **EXPORT OBLIGATION:**

As on date of this Draft Prospectus, Our Company does not have any export obligation.

#### **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.

#### **Our Marketing Strategies:**


We intend to focus on following marketing strategies:

1. Focus on expanding Business at regional level
2. Continuously holding market trends
3. Supply of Quality Products
4. Fulfilment of Order in a timely manner
5. Adapting to market dynamics

#### **COMPETITION:**

We face the competition in our business from other existing traders of Readymade Garments and Denim and Printed fabrics. We compete with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the services and products.

#### **INTELLECTUAL PROPERTY RIGHTS:**

As on date of the Draft Prospectus our company does not have any Intellectual Property Rights, however our company uses the unregistered logo  for its corporate communications:

#### **DETAILS OF IMMOVABLE PROPERTY:**

Company has taken following Properties on Lease:

| <b>Particulars</b>      | <b>Details</b>   |
|-------------------------|--|
| Name of Lessor          | Gafur Nanubhai Bharwad   |
| Name of the Lessee      | Vivaa Tradecom Private Limited   |
| Description of Property | 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad – 382405 |
| Date of Agreement       | March 31, 2022   |
| Rent per Month          | Rs. 48,000/- per month   |
| Usage                   | Registered Office  |
| Area (Approx)           | 679.80 Sq. Mtrs  |
| Duration of Agreement   | April 01, 2022 to March 29, 2023                                       |

#### **Insurance**

| <b>Particulars</b>                   | <b>Details</b>   |
|--------------------------------------|--|
| <b>Name of the Insurance Company</b> | The New India Assurance Company Limited                  |
| <b>Name of Insured</b>               | Vivaa Tradecom Pvt Ltd **                                |
| <b>Policy No</b>                     | 21230046220100000015                                     |
| <b>Type of Policy</b>                | Policy Schedule For Burglary (Single Location) Insurance |
| <b>Validity Period</b>               | 20/04/2022 (03:56:03 PM) to 19/04/2023 (11:59:59 PM)     |
| <b>Premium Paid (Rs)</b>             | Rs. 21,240/-   |

|                        |  |
|------------------------|--|
| <b>Sum Insured</b>     | Rs. 18,00,00,000/-   |
| <b>Items Insured</b>   | Stock of Garment, Grey, Bed Sheet every type of Fabric   |
| <b>Insured Address</b> | Godown NO:17 R R Estate, nr, Prem Process House, Piplej Pirana Road, Saijpur, Gopalpur, Ahmedabad - 380001 |

| <b>Particulars</b>                   | <b>Details</b>  |
|--------------------------------------|---|
| <b>Name of the Insurance Company</b> | The New India Assurance Company Limited   |
| <b>Name of Insured</b>               | Vivaa Tradecom Pvt Ltd **   |
| <b>Policy No</b>                     | 21230011224300000008  |
| <b>Type of Policy</b>                | New India Bharat Laghu Udyam Suraksha Policy  |
| <b>Validity Period</b>               | 20/04/2022 03:45:00 PM To: 19/04/2023 11:59:59 PM   |
| <b>Premium Paid (Rs)</b>             | Rs. 2,63,376/-  |
| <b>Sum Insured</b>                   | Rs. 18,00,00,000/-  |
| <b>Items Insured</b>                 | Stock of Garment ,Grey, Bed Sheet type of Fabric, Denim Fabric, FG, WIP, RM, PM, Spares etc pertaining to insured Trade |
| <b>Insured Address</b>               | Godown NO:17 R R Estate, nr, Prem Process House, Piplej Pirana Road, Saijpur, Gopalpur, Ahmedabad - 380001              |

\*\* Insurance policy is issued in the name of Vivaa Tradecom Private Limited.

## KEY INDUSTRY REGULATIONS AND POLICIES

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

We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled “Government and Other Approvals” beginning on page no.146 of this Draft Prospectus. The following description is a summary of the few relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India.

- **INDUSTRYSPECIFIC REGULATIONS**

### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”)**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

The Central Government has vided its notification numbering 1702(E) dated June 1, 2020 amended the definition of MSME which has come into effect from July 1, 2020.

The revised definition is as under:

- I. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one Crore rupees and turnover does not exceed five Crore rupees;
- II. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten Crore rupees and turnover does not exceed fifty Crore rupees; and
- III. a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty Crore rupees and turnover does not exceed two hundred and fifty Crore rupees.

The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council. The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

- **Laws relating to Specific State where establishment is situated**

### **The Gujarat Shops and Establishments act of 1948**

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

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

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujarat promulgated this law to structure and formulate the

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

Pursuant to Notification No. (GHN-10) PFT-2008-S.3(2)(3)-TH, issued by the Finance Department of Sachivalaya, Gandhinagar, dated 01.04.2008, the Government of Gujarat have specified the rates in column 3, 4 and 5 of the 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.

### **Professional Tax**

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

- **General Laws**

### **Competition Act, 2002 (“Competition Act”)**

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 Companies Act, 2013**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs 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.

### **The Indian Stamp Act, 1899**

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

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

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

#### **The Trade Marks Act, 1999**

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trademark Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled. If not renewed after ten years, the mark lapses and the registration have to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the government to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

#### **The Patents Act, 1970**

The Patents Act, 1970 (“**Patents Act**”) governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of the application for the patent.

#### **The Copyright Act, 1957**

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

#### **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.



- **TAX RELATED LEGISLATIONS**

**Income Tax Act, 1961**

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

**Goods & Service Tax (“GST”)**

Gujarat Goods and Services Tax Act, 2017  
Central Goods and Services Tax Act, 2017  
The Integrated Goods and Services Tax Act, 2017

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

- **Employment And Labour Laws**

**Industrial (Development and Regulation) Act, 1951**

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

**The Contract Labour (Regulation and Abolition) Act, 1970 (the “CLRA”)**

The CLRA requires establishments that employ or have employed on any day in the previous 12 months, 20 or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour. The CLRA places an obligation on the principal employer of an establishment to which the CLRA applies to make an application for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities, and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period.

**The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. 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 this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

### **The Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 (Act) was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. A terminal Lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as “gratuity”. The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his Liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

### **Payment Of Bonus Act, 1965**

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also requires for the submission of Annual Return in the prescribed form (FORM D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

### **Employees“ Provident Funds and Miscellaneous Provisions Act, 1952 (“the EPF Act”)**

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 appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employee’s provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) 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 factories 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.

### **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, 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.

### **Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour is prohibited in Building and Construction Industries and as per Part A of the Schedule it is applicable to the Port and the vicinity of the port area.

## **• FOREIGN INVESTMENT RELATED LAWS AND REGULATIONS**

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) read with the applicable FEM Rules. FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The DIPP (now DPIIT) makes policy pronouncements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEM Rules. In case of any conflict, the FEM Rules prevail. Therefore, the regulatory framework, over a period of time consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DIPP (now DPIIT) issued the FDI Policy which consolidates the policy framework on FDI issued by DIPP (now DPIIT), in force on August 28, 2017 and reflects the FDI policy as on August 28, 2017. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP (now DPIIT). As per the FDI Policy, FDI up to 100% is permitted in wholesale trading under automatic route and up to 51% is permitted in multi brand retail trading under the government route subject to certain conditions prescribed under FDI policy. As per the Press Note No. 3 of 2020 dated April 17, 2020 issued by the DIPP, has amended the FDI Policy to include restrictions on entities belonging to a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, where they can invest only under the Government route. Further, a citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space, atomic energy and sectors/activities prohibited for foreign investment.

### **The Foreign Exchange Management Act, 1999**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) and the rules, regulations and notifications there under, as issued by the Reserve Bank of India from time to time. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 (“FEMA Rules”) to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment (“FDI”) 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 RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the

sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

#### **The Foreign Trade (Development and Regulation) Act, 1992 and the Rules framed there under**

The Foreign Trade (Regulation and Development) Act, 1992 (“FTA”), and the rules framed there under, is the main legislation concerning foreign trade in India. The FTA read along with Foreign Trade (Regulation) Rules, 1993 provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of FTA, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a ‘Director General of Foreign Trade’ for the purpose of the Act, including formulation and implementation of the Export-Import Policy.

The FTA prohibits anybody from undertaking any import or export under an Importer-Exporter Code member (“IEC”) granted by the Director General of Foreign Trade pursuant to Section 7. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority, than from degradation of the resource.

#### **Export Promotion Capital Goods Scheme (“EPCG Scheme”)**

To facilitate import of capital goods for producing quality goods and services to enhance India’s export competitiveness. EPCG Scheme covers manufacturer exporters with or without supporting manufacturer(s), merchant exporters tied to supporting manufacturer(s) and service providers. Also covers a service provide who is designated/ certified as a Common Service Provider (CSP) by the DGFT.

The EPCG Scheme allows import of capital goods for pre-production, production, and post-production at 5% customs duty subject to and 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 license. Capital Goods would be allowed at 0% duty for exports of agricultural products and their value-added variants. However, in respect of EPCG licenses with a duty saved of Rs. 1,000 million or more, the same export obligation shall be required to be fulfilled over a period of 12 years.

#### **• Other Indian laws**

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

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as “Anantnath Infracon Private Limited” under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated April 23, 2010 bearing Corporate Identification Number U70101GJ2010PTC060395 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of our company has changed from “Anantnath Infracon Private Limited” to “Vivaa Tradecom Private Limited” vide Fresh Certificate of Incorporation dated September 06, 2012 bearing Corporate Identification Number U17120GJ2010PTC060395. Further, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 02, 2022 and consequently the name of our Company was changed to “Vivaa Tradecom Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated December 14, 2022. The CIN of the Company is U17120GJ2010PLC060395. For further details, please refer the chapter titled “History and Certain Corporate Matters” beginning on page 82 of this Draft Prospectus.

### 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 67, 61, and 136 of this Draft Prospectus, respectively. For details of the management and managerial competence of our Company, please refer chapter titled “Our Management” on page 85 of this Draft Prospectus.

### Changes in Registered Office

| Sr. No. | Registered Office  |  | With Effect From   | Reason for Change              |
|---------|--|--|--------------------|--------------------------------|
|         | Shifted From   | Shifted To   |                    |                                |
| 1.      | 35, Samang Bungalows, Near Alankar Flat, B/H Divya Bhaskar Press, Vejalpur-Makarbar Road, Vejalpur, Ahmedabad-380051 | 402, Sheel Complex, Mayur Colony, Mithakhali, Navrangpura, Ahmedabad- 380009                                     | May 31, 2012       | For Administrative convenience |
| 2.      | 402, Sheel Complex, Mayur Colony, Mithakhali, Navrangpura, Ahmedabad- 380009   | 6, Darpan Co-Operative Housing Soc. Ltd., Darpan Six Road, Naranpura, Ahmedabad-380013                           | September 07, 2012 | For Administrative convenience |
| 3.      | 6, Darpan Co-Operative Housing Soc. Ltd., Darpan Six Road, Naranpura, Ahmedabad-380013                               | Shade No. 20, Shri Shakti Etate and Ware House, Piplej Pirana Road, Saijpur Goplalpur, Piplej, Ahmedabad -382405 | May 06, 2013       | For Administrative convenience |
| 4.      | Shade No. 20, Shri Shakti Etate and Ware House, Piplej Pirana Road, Saijpur Goplalpur, Piplej, Ahmedabad -382405     | 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad - 382405   | April 01, 2022     | For Administrative convenience |

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

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

1. “To carry on the business of ginning, pressing of cotton and to act as processors, sizers, manufactures, twistors, crimpers, of polyester, polypropylene, cotton, denim textiles, cloth, synthetic cloth, readymade garments, terry towel, hosiery woollen, silk, artificial silk, rayon nylon, terine, stechlun, P.O.Y. man-made synthetic fibers, staple fibers, wool and fibrous materials, cotton, grey and the business of manufacturing, ginning texturizing, weaving, bleaching, printing and selling, cloth of all types, nature and description including all traditions dress, filaments furnishing fabrics, tapestry, linen and fabrics of all types, whether knitted or looped and of buying, selling and/or dealing in silk, strechlun, cotton, rayon, nylon, khadi silk and generally to carry on the business of dyers, dealers in flax, hemp, artificial silk, synthetic cotton, staple fibers, wool and cloth merchants, cleaners, combers, dyers and to transact all and any preparing process an to give any special treatment to any of the above referred materials at any stage of production such as texturizing testing, crimping on own materials or belonging to others and/or to get the same done through others on job work.

2. To carry on the business of manufacturing spinning, weaving, bleaching, finishing, dyeing, processing cotton, mercerizing, printing, sizing, exporting, importing, twisting, texturizing and/or otherwise dealing in yarns of all types made from silk, art silk rayon, nylon, cotton, man-made synthetic fibers, P.O.Y. staple fibers and all types of suitable materials.”

#### Amendments to the Memorandum of Association

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

- **Name Clause**

| Sr. No. | Date of Name Change | Particulars   |
|---------|---------------------|---|
| 1.      | September 06, 2012  | The name of our company has changed from “Anantnath Infracon Private Limited” to “Vivaa Tradecom Private Limited”.  |
| 2.      | December 14, 2022   | Consequent to conversion from Private Limited Company to Public Limited Company, Name of the Company was changed from “Vivaa Tradecom Private Limited” to “Vivaa Tradecom Limited”. |

- **Object Clause**

| Sr. No. | Date of Passing of Resolution | Particulars   |
|---------|-------------------------------|---|
| 1.      | June 15, 2012                 | <p><b>Main Object Clause no. 1 was substituted and new clause no 2 has been inserted as under:</b></p> <p>1. “To carry on the business of ginning, pressing of cotton and to act as processors, sizers, manufactures, twistors, crimpers, of polyester, polypropylene, cotton, denim textiles, cloth, synthetic cloth, readymade garments, terry towel, hosiery woolen, silk, artificial silk, rayon nylon, terine, stretchlon, P.O.Y. man-made synthetic fibers, staple fibers, wool and fibrous materials, cotton, grey and the business of manufacturing, ginning texturising, weaving, bleaching, printing and selling, cloth of all types, nature and description including all traditions dress, filaments furnishing fabrics, taperstry, linen and fabrics of all types, whether knitted or looped and of buying, selling and/or dealing in silk, stretchlon, cotton, rayon, nylon, khadi silk and generally to carry on the business of dyers, dealers in flax, hemp, artificial silk, synthetic cotton, staple fibers, wool and cloth merchants, cleaners, combers, dyers and to transact all and any preparing process and to give any special treatment to any of the above referred materials at any stage of production such as texturising testing, crimping on own materials or belonging to others and/or to get the same done through others on job work.</p> <p>2. To carry on the business of manufacturing spinning, weaving, bleaching, finishing, dyeing, processing cotton, mercerizing, printing, sizing, exporting, importing, twisting, texturising and/or otherwise dealing in yarns of all types made from silk, art silk rayon, nylon, cotton, man-made synthetic fibers, P.O.Y. staple fibers and all types of suitable materials</p> |

- **Authorized Capital**

| Sr. No. | Date of Passing of Resolution | Type of Meeting                | Particulars   |
|---------|-------------------------------|--------------------------------|---|
| 1.      | February 28, 2013             | Extra Ordinary General Meeting | The authorized share capital of ₹1,00,000/- (Rupees One Lac only) consisting of 10,000 (Ten Thousand) Equity shares of ₹10/- each was increased to ₹50,00,000/- (Rupees Fifty Lacs Only) consisting of 5,00,000 (Five Lakh) Equity shares of ₹10/- each         |
| 2.      | November 10, 2022             | Extra Ordinary General Meeting | The authorized share capital of ₹50,00,000/- (Rupees Fifty Lacs Only) consisting of 5,00,000 (Five Lakh) Equity shares of ₹10/- each was increased to ₹5,00,00,000/- (Rupees Five Crores Only) consisting of 50,00,000 (Fifty Lakh) Equity shares of ₹10/- each |

#### Major Events, Key Awards, Accreditations Or Recognition Of Our Company

There is no major events in the company since its 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 capacity and capacity utilisation, entry in new geographies or exit from existing markets, please refer chapter titled "Business Overview" on page 67 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**

Except discontinuing of Garments Manufacturing activities, there is no change in activity of our Company in the Last Five years.

**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 and there are no material agreements entered as on the date of this Draft Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

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

| Name, Father's Name, Address, Date of Birth, Age, Designation, Status, DIN, Occupation and Nationality   | Other Directorships  |
|--|--|
| <p><b>Name:</b> Mitesh Adani<br/> <b>Father's Name:</b> Jayantilal Adani<br/> <b>Address:</b> B/802, Sagar Samrat Appartment, Nr Jalaram Railway Crossing, Ellisbridge Ahmedabad- 380007, Gujarat India<br/> <b>Date of Birth:</b> August 21, 1963<br/> <b>Age:</b> 59 Years<br/> <b>Designation:</b> Managing Director<br/> <b>Status:</b> Executive &amp; Non-Independent Director<br/> <b>DIN:</b> 03279695<br/> <b>Occupation:</b> Business<br/> <b>Nationality:</b> Indian<br/> <b>Term:</b> Five (5) years w.e.f. December 02, 2022<br/> <b>Original Date of Appointment:</b> September 07, 2012 as Additional Executive Director of the company</p> | -  |
| <p><b>Name:</b> Sangita Jain<br/> <b>Father's Name :</b> Nihalchand Jain<br/> <b>Address:</b> 9, Vraj Villa Bunglow, B/H Iscon Mall, Bodakdev, Ahmedabad - 380054, Gujarat, India.<br/> <b>Date of Birth:</b> January 03, 1967<br/> <b>Age :</b> 55 Years<br/> <b>Designation:</b> Director<br/> <b>Status:</b> Executive Director<br/> <b>DIN :</b> 01923253<br/> <b>Occupation:</b> Service<br/> <b>Nationality:</b> Indian<br/> <b>Term:</b> Five (5) years w.e.f. December 02, 2022<br/> <b>Original Date of Appointment:</b> November 10, 2022 as Additional Director</p>   | <p>1. Hind Project and Infrastructures Limited<br/> 2. Wynad Estate And Industries Limited*</p>  |
| <p><b>Name:</b> Narayansinh Chauhan<br/> <b>Father's Name:</b> Pabudansinh Chauhan<br/> <b>Address:</b> F/6-B-Block, Maheshwari Apartment, Keshavnagar, Subhashbridge, Ahmedabad- 380027, Gujarat, India<br/> <b>Date of Birth:</b> July 10, 1945<br/> <b>Age:</b> 77 Years<br/> <b>Designation:</b> Independent Director<br/> <b>Status:</b> Non-Executive Director<br/> <b>DIN :</b> 07424417<br/> <b>Occupation:</b> Professional<br/> <b>Nationality:</b> India<br/> <b>Term:</b> Five (5) years w.e.f. December 02, 2022<br/> <b>Original Date of Appointment:</b> November 10, 2022 as Additional Non-Executive Director</p>                         | <p>1. Gujarat Inject Kerala Ltd.<br/> 2. Wynad Estate And Industries Limited<br/> 3. Aryavan Enterprise Limited<br/> 4. Mayur Pulses Private Limited<br/> 5. Deep Masterbatch Limited<br/> 6. Rich Gold Finance And Securities Limited</p> |
| <p><b>Name:</b> Dineshsingh Kshatriya<br/> <b>Father's Name:</b> Umashankarsingh Kshatriya<br/> <b>Address:</b> 5, Vasant Vihar Society, Nr. L. J. College, Nr. Nirman School, Vastrapur, Ahmedabad- 380015, Gujarat, India<br/> <b>Date of Birth:</b> June 15, 1971<br/> <b>Age:</b> 51 Years<br/> <b>Designation:</b> Director<br/> <b>Status:</b> Non-Executive Director<br/> <b>DIN:</b> 00789633<br/> <b>Occupation:</b> Business</p>   | <p>1. Garima Venture Finance Limited<br/> 2. Garima Advertising and Marketing Private Limited</p>  |



|  |  |
|--|--|
| <b>Nationality:</b> India<br><b>Term:</b> Five (5) years w.e.f September 30, 2022<br><b>Original Date of Appointment:</b> August 24, 2022 as Additional Non-Executive Director   |  |
| <b>Name:</b> Jimitkumar Sanghvi<br><b>Father's Name:</b> Dilipkumar Sandhvi<br><b>Address:</b> A-503, Kanchan Janga Apartment, B/h. IFC Bhavan, Ellisbridge, Ahmedabad -380006 Gujarat, India<br><b>Date of Birth:</b> May 08, 1977<br><b>Age:</b> 45 Years<br><b>Designation:</b> Independent Director<br><b>Status:</b> Non-Executive Director<br><b>DIN:</b> 02978329<br><b>Occupation:</b> Business<br><b>Nationality:</b> India<br><b>Term:</b> Five (5) years w.e.f. November 10, 2022<br><b>Date of Appointment:</b> November 10, 2022 as Non- Executive Director | The Billon Investments Private Limited |

\* Wynad Estate and Industries Limited listed on Calcutta Stock Exchange is on the dissemination Board of NSE

### Confirmations

#### As on date of this Draft Prospectus

- A. None of the Directors except Narayansinh Chauhan, independent director of the Company 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.

| Narayansinh Chauhan - Independent Director  |  |
|---|--|
| <b>Name of the Company</b>  | Gujarat Inject Limited   |
| <b>Listed on</b>  | Mumbai Stock Exchange  |
| <b>Date of Suspension</b>   | April 26, 2019   |
| <b>If trading suspended for more than 3 months than reasons for suspension and period of suspension</b> | The trading was suspended for more than 3 months for penal reasons |
| <b>Date of revocation of the Suspension</b>   | May 30, 2022   |
| <b>Term of the director in the Company</b>  | From September 30, 2016 till date he is director.                  |

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

### Family Relationship between the Directors

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

### Arrangements with major Shareholders, Customers, Suppliers or Others

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

### Service Contracts

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

### **Borrowing Powers of the Board**

The Articles, subject to the provisions of Section 180(1)(c) of the Act authorizes the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a special resolution passed at the Extra-ordinary General Meeting held on November 10, 2022, in accordance with Section 180(1)(c) of the Act authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed ₹25.00 Crores.

### **Brief Profiles of Our Directors**

**Mitesh Adani** aged 59 years, is the Promoter and Managing Director of our company. He is Matriculate. He is the key managerial person and the backbone behind the expansion of the Business and catering to the increasing demand of the customers. He is having experience of business of Textile goods of about 25 years. He is looking after the administration and management of the the Company

**Sangita Jain** aged 55 years, SSC passed is an Executive Director of our company. She is looking after accounts and general administration. She is Director with two other companies.

**Dinesh Singh Kshatriya** aged 51 years, is Non-Executive Director of the company and completed B.Sc. in the year 1991. He is the proprietor of Garima Communication and Director with Garima Advertising and Marketing Pvt. Ltd. He is having more than 25 years of Experience in Advertising and Media line. He looks after the marketing and media coverage for the Company

**Narayansinh Chauhan** aged 77 years, BA, LL.B. (Special), is an Independent Directors of our company and also associated as Director with Six other companies. He is practicing Advocate in the Civilcourt since last more than Twenty Years

**Jimitkumar Sanghvi**, aged 45 years, B. Com, is an Independent Directors of our company. He is having very good experience in the Equity and Commodity Market,

### **Compensation of Managing Directors**

#### **Terms and conditions of employment of our Managing Director:**

**Mitesh Adani** has been appointed as Managing Director of our Company in the Extra-Ordinary General Meeting of the company held on December 02, 2022 for a period of Five (5) years commencing from December 02, 2022.

#### **The remuneration payable is as follows:**

|  |   |
|--|---|
| <b>Name</b>                            | Mitesh Adani  |
| <b>Date of Agreement*</b>              | January 30, 2023                                      |
| <b>Period</b>                          | 5 Years w.e.f. December 02, 2022 to December 02, 2027 |
| <b>Salary</b>                          | Rs. 1,00,000/- per month                              |
| <b>Remuneration paid in FY 2021-22</b> | Rs. 1,00,000/ per month                               |

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

#### **Payment or benefit to Independent Directors of our Company**

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.           | Mitesh Adani          | 1158465              | 48.85                               |
| 2.           | Sangita Jain          | 51000                | 2.15                                |
| 3.           | Dineshsingh Kshatriya | 344250               | 14.52                               |
| <b>Total</b> |                       | <b>1553715</b>       | <b>65.52</b>                        |

## 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 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 85 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 67 of this Draft Prospectus and in the chapter “*Restated Financial Statement*” on page 99 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 99, 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 99 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

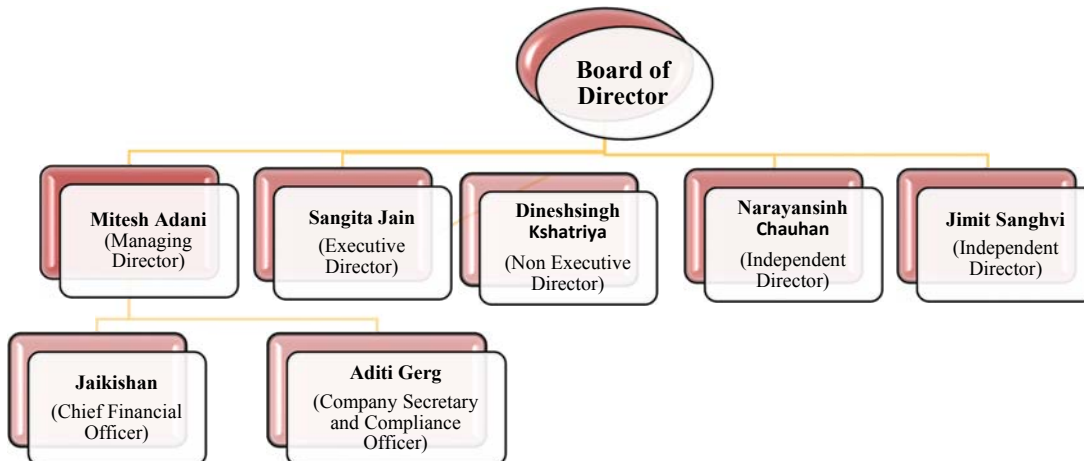
Following are the changes in the Board of Directors during the last three (3) years

| Name of Directors | Date of Appointment | Date of Change in Designation / Cessation | Reasons for changes in the Board                |
|-------------------|---------------------|---|---|
| Asha Adani        | -                   | March 30, 2021                            | Resigned as a Director                          |
| Yash Adani        | March 30,2021       |   | Appointed as Additional Non- Executive Director |

| Name of Directors     | Date of Appointment | Date of Change in Designation / Cessation | Reasons for changes in the Board          |
|-----------------------|---------------------|---|---|
| Yash Adani            | -                   | November 29, 2021                         | Regularization as Non- Executive Director |
| Niranjan Jain         | August 24,2022      | -   | Appointed as Additional Director          |
| Jaikishan Sajnani     | August 24,2022      | -   | Appointed as Additional Director          |
| Dineshsingh Kshatriya | August 24,2022      | -   | Appointed as Additional Director          |
| Niranjan Jain         |                     | September 30,2022                         | Regularization as Non- Executive Director |
| Jaikishan Sajnani     |                     | September 30, 2022                        | Regularization as Non- Executive Director |
| Dineshsingh Kshatriya |                     | September 30, 2022                        | Regularization as Non- Executive Director |
| Sangitaben Jain       | November 10, 2022   | -   | Appointed as Additional Director          |
| Narayansinh Chauhan   | November 10, 2022   | -   | Appointed as Additional Director          |
| Yash Adani            | -                   | November 10, 2022                         | Resigned as Director                      |
| Niranjan Jain         | -                   | November 10, 2022                         | Resigned as Director                      |
| Jaikishan Sajnani     |                     | November 10, 2022                         | Resigned as Director                      |
| Jimitkumar Sanghvi    | November 10, 2022   | -   | Appointed as Independent Director         |
| Sangitaben Jain       | -                   | December 02, 2022                         | Appointed as Executive Director           |
| Mitesh Adani          | -                   | December 02, 2022                         | Appointed as Managing Director            |
| Narayansinh Chauhan   | -                   | December 02, 2022                         | Regularization as Independent Director    |

### Management Organization Structure

The following chart depicts our Management Organization Structure



## COMPLIANCE WITH CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013, with respect to the Corporate Governance, provisions of the SEBI Listing Regulations except Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D, and E of Schedule will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

### Constitutions of Committees

Our Company has constituted the following committees:

#### 1. Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on December 20, 2022 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). The Audit Committee comprises following members.

| Name of the Director | Nature of Directorship             | Position in Committee |
|----------------------|------------------------------------|-----------------------|
| Jimit Sanghvi        | Non-Executive Independent Director | Chairman              |
| Narayansinh Chauhan  | Non-Executive Independent Director | Member                |
| Mitesh Adani         | Managing 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. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
2. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
3. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval, particularly with respect to;
  - a. Changes, if any, in accounting policies and practices and reasons for the same,
  - b. Major accounting entries involving estimates based on the exercise of judgment by management,
  - c. Significant adjustments made in the financial statements arising out of audit findings,
  - d. Compliance with listing and other legal requirements relating to financial statements,
  - e. Disclosure of any related party transactions,
  - f. Modified opinion(s) / Qualifications in the draft audit report.
4. Approval or any subsequent modification of transactions of the Company with related party, subject following conditions;
  - The Audit Committee may make omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;
  - In case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

- In case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;
5. Reviewing, with the management, and monitoring 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, and making appropriate recommendations to the Board to take up steps in this matter;
  6. Scrutiny of Inter-corporate loans and investments;
  7. Reviewing and discussing 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;
  8. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
  9. Valuation of undertakings or assets of the company, where ever it is necessary;
  10. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
  11. 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;
  12. To monitor the end use of fund invested or given by the Company to Subsidiary Companies;
  13. Carrying out any other function as assigned by the Board of Directors from time to time.

#### **Review of information by Audit Committee**

The audit committee shall mandatorily review the following information:

1. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
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 Internal Auditor.
5. Quarterly / half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
6. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus.

#### **Powers of the Audit Committee:**

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

1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
6. To investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

## 2. 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) vide board resolution dated December 20,2022. The constituted Stakeholders Relationship Committee comprises the following members:

| Name of the Director  | Nature of Directorship             | Position in Committee |
|-----------------------|------------------------------------|-----------------------|
| Dineshsingh Kshatriya | Non-Executive                      | Chairman              |
| Narayansinh Chauhan   | Non-Executive Independent Director | Member                |
| Jimit Sanghvi         | Non-Executive Independent Director | Member                |

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

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

### Terms of Reference

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
2. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
3. Issue duplicate/split/consolidated share certificates;
4. Dematerialization/Rematerialization of Share;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. 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.
7. 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.

## 3. 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) vide board resolution dated December 20, 2022. The Nomination and Remuneration Committee comprises the following members:

| Name of the Director  | Nature of Directorship             | Position in Committee |
|-----------------------|------------------------------------|-----------------------|
| Narayansinh Chauhan   | Non-Executive Independent Director | Chairman              |
| Jimit Sanghvi         | Non-Executive Independent Director | Member                |
| Dineshsingh Kshatriya | 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 Committee and its terms of reference shall include the following:

### The terms of reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

4. 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 and shall carry out evaluation of every Director's performance.
5. To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

### **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 is the Key Managerial Personnel of our Company

### **Profiles of our Key Managerial Personnel**

For the profile of Mitesh Adani, a Managing Director, Please refer chapter titled “*Our Management - Brief Biographies of our Directors*” on page 85 of this Draft Prospectus.

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

| <b>Name, Designation and Date of Joining</b>                                      | <b>Qualification</b> | <b>Previous Employment</b> | <b>Overall Experience</b>   | <b>Remuneration paid in previous year (2021-22) (₹ in Lakhs)</b> |
|---|----------------------|----------------------------|---|--|
| Aditi Gerg<br>Company Secretary and Compliance Officer<br>D.O.J- January 02, 2023 | M.Com., CS           | -                          | Experience of 2 Years in Secretarial, Accounting and Tax related Compliance | -  |
| Jaikishan Sajjani<br>Chief Financial Officer<br>D.O.J-November 10, 2022           | B. Com,              | -                          | Experience of 25 Years in the field of Taxation and Auditing                | -  |

### **Relationship amongst the Key Managerial Personnel of our Company**

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

### **Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

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

### **Bonus or profit-sharing plan of the Key Managerial Personnel**

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

### **Shareholding of Key Management Personnel in our Company**

None of our Key Managerial Personnel except Jaikishan Sajjani holds 255000 (10.89%) 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 40 of this Draft Prospectus

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

| <b>Name of KMP</b> | <b>Designation</b> | <b>Date of Event</b> | <b>Reason</b>                     |
|--------------------|--------------------|----------------------|-----------------------------------|
| Mohit Vora         | Marketing Head     | March 31, 2022       | Transfer on account of Slum Sales |
| Vinay Rajput       | PPC Head           | March 31, 2022       | Transfer on account of Slum Sales |
| Kasyap Trivedi     | Account Head       | March 31, 2022       | Transfer on account of Slum Sales |
| Madan Mohan        | HR Head            | March 31, 2022       | Transfer on account of Slum Sales |



| <b>Name of KMP</b> | <b>Designation</b>                       | <b>Date of Event</b> | <b>Reason</b>   |
|--------------------|--|----------------------|---|
| Meena Parmar       | Production Head                          | March 31, 2022       | Transfer on account of Slum Sales                     |
| Jaikishan Sajnani  | Chief Financial Officer                  | November 10, 2022    | Appointed as Chief Financial Officer                  |
| Aditi Gerg         | Company Secretary and Compliance Officer | January 02, 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 85 of chapter titled Our Management 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.

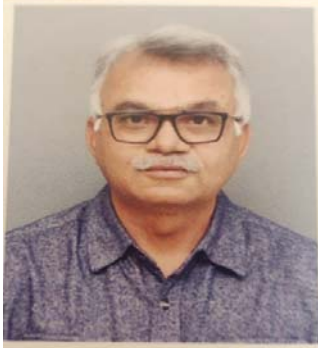
#### **Payment of Benefits to of Our KMPs (*non-salary related*)**

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 99 of this Draft Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

The Promoter of our Company is:

|   |   |
|---|---|
|  | <p><b>Mitesh Adani</b>, aged 59 years, is the Promoter and Managing Director of our company.<br/><b>Date of Birth</b> – August 21, 1963<br/><b>Personal Address</b> -B/802, Sagar Samrat Appartment, Nr Jalaram Railway Crossing, Ellisbridge, Ahmedabad-380007, Gujarat India<br/><b>Permanent Account Number:</b> AATPA6527F<br/>For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled “Our Management” beginning on page no. 85 of this Draft Prospectus.</p> |
|---|---|

For details of the build-up of our Promoter’s shareholding in our Company, please see “**Capital Structure – Shareholding of our Promoters**” beginning on page no 40 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 Promoter 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 Promoter have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

### Other ventures of Promoter

Other than as disclosed in this section, our Promoter is not involved in any other ventures.

### Change in the management and control of the Issuer

Mitesh Adani is the Promoter of our Company since September 2012 and there has been no change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

### 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,

### Interest of Promoters

Our Promoter is interested in our Company to the extent of the promotion of our Company and to the extent of his 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 40 and 85, respectively of this Draft Prospectus. For further details, please refer chapters titled “*Capital Structure - Shareholding of our Promoter and Promoter Group*” beginning on page 40 and “*Restated Financial Statements*” on page 99, respectively of this Draft Prospectus.

Our Promoter is 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 Promoter 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 Promoter does 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 Promoter is interested to the extent of his 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 40 of this Draft Prospectus.

No sum has been paid or agreed to be paid to our Promoter and our Promoter is 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 Promoter or by such firm or company in connection with the promotion or formation of our Company.

**Other Interest**

Our Promoter is 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 Promoter**

Except as stated in the *Annexure – 33 “Related Party Transactions”* on page 128 there has been no payment of benefits to our Promoter 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 99 of this Draft Prospectus, respectively, there are no material guarantees given by the Promoter 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**

Except stated below. Our Promoter has not been disassociated himself from any firms or companies in the last three (3) years preceding this Draft Prospectus.

Mitesh Adani has been disassociated himself as director in following Companies

| Sr.No | Name of Company                             | Date of Disassociation | Reason for Disassociation |
|-------|---|------------------------|---------------------------|
| 1.    | Ajitnath Arcade Private Limited             | August 08,2022         | Due to Pre occupancy      |
| 2.    | Aditya Prohouse Private Limited             | July 30,2021           | Due to Pre occupancy      |
| 3.    | Aadi Real Estate Developers Private Limited | July 30,2021           | Due to Pre occupancy      |
| 4     | Padamshree Globe Tradelink Limited          | January 15,2020        | Due to Pre occupancy      |

**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: Mitesh Adani**

|                 |                     |
|-----------------|---------------------|
| <b>Promoter</b> | <b>Mitesh Adani</b> |
|-----------------|---------------------|

|                  |                        |
|------------------|------------------------|
| Father           | Jayantilal Adani       |
| Mother           | Jasudben Adani         |
| Spouse           | Ashaben Adani          |
| Brother          | Sanjay Adani           |
| Sister           | Anjana Bhansali        |
| Son              | Yash Adani             |
| Daughter         | Sanjal Adani           |
| Spouse's Father  | Suryakant Parikh       |
| Spouse's Mother  | Sardaben Parikh        |
| Spouse's Brother | Bhavik & Bhavin Parikh |
| Spouse's Sister  | Bina Bhansali          |

**Companies, Proprietary concerns, HUFs related to our promoters**

| <b>Nature of Relationship</b>  | <b>Entity</b>       |
|--|---------------------|
| 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 | -                   |
| 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;   | Mitesh J. Adani HUF |

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page no.148 of Draft Prospectus.

## **DIVIDEND POLICY**

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

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 Restated Financial*” on page 99. 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.

## RESTATED FINANCIAL STATEMENTS

To,  
**The Board of Directors,  
Vivaa Tradecom Limited**  
17, Pirana Piplej Road,  
Saijpur (Gopalpur), Piplej,  
Ahmedabad 382405.

Dear Sir/Ma'am,

1. We have examined the attached Restated Financial Statement along with the Significant Accounting Policies and related notes of **Vivaa Tradecom Limited** (the 'Company') as at and for the period ended on September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Prospectus / Prospectus (being collectively referred as "Offer Document") in connection with its proposed Initial Public Offer ("IPO") on the SME Platform of the BSE Limited ("BSE").
2. The said Restated Financial Statements and other Financial Information have been prepared in accordance with the requirements of :
  - i) Section 26 of Part I of Chapter III to the Companies Act, 2013("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Offer Document being issued by the Company for its proposed IPO of equity shares on SME Platform of the BSE Limited ("BSE"); and
  - iv) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").

We have examined the accompanied 'Restated Statement of Profit and Loss' (**Annexure – 2**) for the financial years ended on March 31, 2022, March 31, 2021, March 31 2020 and quarter ended on September 30, 2022, the 'Restated Statement of Assets and Liabilities' (**Annexure- 1**) and "Restated Financial Statement of Cash Flows" (**Annexure 3**) as on above dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies (**Annexure – 4**) thereon, which are the responsibility of the Company's management. The information has been extracted from the financial statements for the financial years ended on March 31, 2022, March 31, 2021, March 31, 2020 and for the period ended on September 30, 2022. The Financial Statements for the financial year ended on March 31, 2022, March 31, 2021 and March 31, 2020 is audited by **M/s. Shreekant S Shah & Co.**, Chartered Accountants, and for the period ending on September 30, 2022 is audited by **M/s. Shreekant S Shah & Co.**, Chartered Accountants, being the Statutory Auditor of the Company, which were approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.

3. In terms of Schedule VI (Part A) (11) (II) (i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Vivaa Tradecom Limited, we, **M/s. D G M S & Co.**, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
4. Based on our examination, we report that:
  - a. The "Restated Financial Statement of Assets and Liabilities" as set out in **Annexure 1**, Restated Financial Statement of Profit and Loss" as set out in **Annexure 2**, "Restated Financial Statement of Cash Flows" as set out in **Annexure 3**, to this report, of the Company as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 is prepared by the Company and approved by the Board of Directors. These Restated Financial Statements have been arrived at after making such adjustments and regroupings to the

financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies as set out in **Annexure 4** & Notes to Accounts to this Report.

- b. The Restated Financial Statements have been made after incorporating adjustments for:
  - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
  - ii. Prior period and other material amount in the respective financial years to which they relate.
- c. The audit reports on the financial statements of the Company as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 & period ending on September 30, 2022 as referred in paragraph 3 above, expresses an unmodified opinion.
5. At the request of the company, we have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Annexure of Restated Financial Statements of the Company: -

- i. Statement of Equity Share Capital, as restated (Annexure – 5)
- ii. Statement of Reserves & Surplus, as restated (Annexure - 6)
- iii. Statement of Long-Term Borrowings, as restated (Annexure - 7)
- iv. Statement of Nature and terms of repayment for borrowings, as restated (Annexure – 7.1)
- v. Statement of Short Term Borrowings, as restated (Annexure - 8)
- vi. Statement of Trade Payables, as restated (Annexure - 9)
- vii. Statement of Other Current Liabilities, as restated (Annexure - 10)
- viii. Statement of Short Term Provisions, as restated (Annexure -11)
- ix. Statement of Non-Current Investment, as restated (Annexure – 12)
- x. Statement of Long-Term Loan and Advances, as restated (Annexure -13)
- xi. Statement of Property, Plant and Equipment, as restated (Annexure -14)
- xii. Statement of Inventories, as restated (Annexure - 15)
- xiii. Statement of Trade Receivables, as restated (Annexure - 16)
- xiv. Statement of Cash and Bank Balances, as restated (Annexure - 17)
- xv. Statement of Short Terms Loans and Advances, as restated (Annexure - 18)
- xvi. Statement of Other Current Assets, as restated (Annexure - 19)
- xvii. Statement of Contingent Liabilities, as restated (Annexure - 20)
- xviii. Statement of Revenue from Operations, as restated (Annexure - 21)
- xix. Statement of Particular of Sale of Products, as restated (Annexure – 21.1)
- xx. Statement of Other Income, as restated (Annexure - 22)
- xxi. Statement of Other Income, as restated (Annexure – 22.1)
- xxii. Statement of Statement of Materials Consumed, as restated (Annexure - 23)
- xxiii. Statement of Statement of Particular of Purchase of stock in Trade, as restated ( Annexure -24)
- xxiv. Statement of Changes In Inventories, as restated (Annexure - 25)
- xxv. Statement of Employee Benefit Expenses, as restated (Annexure - 26)
- xxvi. Statement of Financial Cost, as restated (Annexure - 27)
- xxvii. Statement of Depreciation, as restated (Annexure - 28)
- xxviii. Statement of Other Expenses, as restated (Annexure - 29)
- xxix. Statement of Prior Period Items, as restated (Annexure -29.1)
- xxx. Statement of payment to auditor, as restated ( Annexure – 29.2)
- xxxi. Statement of Deferred Tax Assets, as restated (Annexure - 30)
- xxxii. Statement of Reconciliation of Restated profit (Annexure – 31)
- xxxiii. Statement of Employee defined contribution plan, as restated (Annexure – 32)
- xxxiv. Statement of Related Party Transactions, as restated (Annexure - 33)
- xxxv. Statement of Earnings Per Share, as restated (Annexure - 34)
- xxxvi. Statement of Tax Shelter, as restated ( Annexure -35)
- xxxvii. Statement of Capitalization, as restated (Annexure - 36)
- xxxviii. Statement of Ratio Analysis, as restated (Annexure - 37 )

6. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure 1 to 37 read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

7. This 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.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s. D G M S & Co.,  
Chartered Accountants  
FRN: 0112187W**

**Sd/-  
CA Shashank P. Doshi  
Partner  
Membership No: 108456  
Place: Jamnagar  
Date: February 06, 2023  
UDIN: 23108456BGUDDH6526**



## ANNEXURE 1 RESTATED BALANCE SHEET

(Rs. In Lakhs)

| Particulars  | As At 30th<br>September<br>2022 | As At 31st<br>March 2022 | As At 31st<br>March 2021 | As At 31st<br>March 2020 |
|--|---------------------------------|--------------------------|--------------------------|--------------------------|
| <b>I. EQUITY AND LIABILITIES</b>   |                                 |                          |                          |                          |
| <b>1 Shareholders' funds</b>   |                                 |                          |                          |                          |
| (a) Share capital  | 2.33                            | 2.33                     | 2.33                     | 2.33                     |
| (b) Reserves and surplus   | 1,173.33                        | 1,160.65                 | 1,116.26                 | 1,122.74                 |
| <b>2 non-current liabilities</b>   |                                 |                          |                          |                          |
| (a) Long-term borrowings   | 27.40                           | 131.20                   | 184.15                   | 102.12                   |
| (b) Deferred tax liabilities (Net)   | 25.40                           | 24.82                    | 71.51                    | 66.82                    |
| (c) Long-term Provisions   | -                               | -                        | -                        | -                        |
| (d) Other Long-term Liabilities  | -                               | -                        | -                        | -                        |
| <b>3 Current liabilities</b>   |                                 |                          |                          |                          |
| (a) Short-term borrowings  | 532.93                          | 981.85                   | 1,170.75                 | 1,180.28                 |
| (b) Trade payables   |                                 |                          |                          |                          |
| Total outstanding dues of micro enterprises and small enterprises                      | -                               | -                        | 11.77                    | -                        |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 8,172.87                        | 7,420.37                 | 6,556.73                 | 2,150.94                 |
| (c) Other current liabilities  | 16.25                           | 20.91                    | 112.46                   | 87.77                    |
| (d) Short-term provisions  | 71.60                           | 61.34                    | 204.25                   | 207.97                   |
| <b>TOTAL</b>   | <b>10,022.11</b>                | <b>9,803.46</b>          | <b>9,430.20</b>          | <b>4,920.96</b>          |
| <b>II.ASSETS</b>   |                                 |                          |                          |                          |
| <b>1 non-current assets</b>  |                                 |                          |                          |                          |
| (a) Fixed assets   |                                 |                          |                          |                          |
| (i) Tangible assets  | 91.29                           | 113.65                   | 1,020.12                 | 1,131.35                 |
| (ii) Intangible Assets   | -                               | -                        | -                        | -                        |
| (iii) Intangible Assets under development  | -                               | -                        | -                        | -                        |
| (iv) Capital Work in Progress  | -                               | -                        | -                        | -                        |
| Less: Accumulated Depreciation   | -                               | -                        | -                        | -                        |
| Net Block  | 91.29                           | 113.65                   | 1,020.12                 | 1,131.35                 |
| (b) Non-Current Investments  | 0.63                            | 0.63                     | 0.63                     | 0.63                     |
| (c) Long-term loans and advances   | -                               | 198.89                   | 185.99                   | 185.99                   |
| (d) Other Non-Current Assets   | -                               | -                        | -                        | -                        |
| (e) Deferred Tax Assets  | -                               | -                        | -                        | -                        |
| <b>2 Current assets</b>  |                                 |                          |                          |                          |
| (a) Current Investments  | -                               | -                        | -                        | -                        |
| (b) Inventories  | 1,933.79                        | 2,063.98                 | 1,899.91                 | 2,165.56                 |
| (c) Trade receivables  | 7,324.46                        | 7,071.92                 | 5,891.45                 | 983.37                   |
| (d) Cash and cash equivalents  | 122.69                          | 3.40                     | 9.43                     | 44.42                    |
| (e) Short-term loans and advances  | 505.49                          | 309.44                   | 333.99                   | 381.20                   |
| (f) Other Current Assets   | 43.76                           | 41.55                    | 88.68                    | 28.45                    |
| <b>TOTAL</b>   | <b>10,022.11</b>                | <b>9,803.46</b>          | <b>9,430.20</b>          | <b>4,920.96</b>          |

## ANNEXURE 2 RESTATED STATEMENT OF PROFIT &amp; LOSS

(Rs. In Lakhs)

| Particulars                                     | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|---|--|-------------------------------------|-------------------------------------|-------------------------------------|
| I. Revenue from operations                      | 8,552.01                               | 24,320.31                           | 14,641.40                           | 9,819.74                            |
| II. Other income                                | 0.64                                   | 408.39                              | 93.16                               | 3.32                                |
| <b>III. Total Income (I + II)</b>               | <b>8,552.65</b>                        | <b>24,728.70</b>                    | <b>14,734.56</b>                    | <b>9,823.06</b>                     |
| IV. Expenses:                                   |  |                                     |                                     |                                     |
| Cost of Material Consumed                       | -                                      | 1,961.32                            | 1,264.03                            | 2,131.02                            |
| Purchases of Stock-In-Trade                     | 8,316.55                               | 19,752.26                           | 10,873.72                           | 5,438.90                            |
| Changes in inventories of Stock-in-Trade        | 130.19                                 | (465.59)                            | 360.77                              | (887.77)                            |
| Employee benefits expense                       | 11.10                                  | 1,082.18                            | 701.03                              | 1,091.66                            |
| Finance costs                                   | 36.01                                  | 85.28                               | 99.94                               | 114.90                              |
| Depreciation and amortization expense           | 9.68                                   | 120.96                              | 120.59                              | 123.11                              |
| Other expenses                                  | 27.10                                  | 2,171.10                            | 1,316.27                            | 1,748.64                            |
| Total expenses                                  | 8,530.63                               | 24,707.52                           | 14,736.36                           | 9,760.47                            |
| <b>V. Profit before tax (III-IV)</b>            | <b>22.02</b>                           | <b>21.18</b>                        | <b>(1.79)</b>                       | <b>62.59</b>                        |
| VI Tax expense:                                 |  |                                     |                                     |                                     |
| (1) Current tax                                 | 8.76                                   | 23.48                               | -                                   | 32.14                               |
| (2) Deferred tax                                | 0.58                                   | (46.69)                             | 4.68                                | (11.28)                             |
| (3) Less: MAT Credit Entitlement                |  |                                     |                                     |                                     |
| <b>VII. Profit (Loss) for the period (V-VI)</b> | <b>12.68</b>                           | <b>44.39</b>                        | <b>(6.48)</b>                       | <b>41.73</b>                        |

## ANNEXURE 3 RESTATED STATEMENT OF CASH FLOWS

(Rs. In Lakhs)

| Particulars   | For the year ended 30th September, 2022 |        | For the year ended 31 st March 2022 |          | For the year ended 31 st March 2021 |          | For the year ended 31 st March 2020 |        |
|---|---|--------|-------------------------------------|----------|-------------------------------------|----------|-------------------------------------|--------|
| <b>Cash flow from Operating Activities</b>              |   |        |                                     |          |                                     |          |                                     |        |
| Net Profit Before tax as per Statement of Profit & Loss |   | 22.02  |                                     | 21.18    |                                     | (1.79)   |                                     | 62.59  |
| Adjustments for:  |   |        |                                     |          |                                     |          |                                     |        |
| Depreciation & Amortisation Exp.                        | 9.68                                    |        | 120.96                              |          | 120.59                              |          | 123.11                              |        |
| Interest Income   | -                                       |        | (2.27)                              |          | (1.58)                              |          | (1.87)                              |        |
| Prior Period Items                                      |   |        |                                     |          |                                     |          | 33.79                               |        |
| Interest Income   | -                                       |        | -                                   |          | (0.21)                              |          | (0.17)                              |        |
| Finance Cost  | 36.01                                   | 45.69  | 85.28                               | 203.97   | 99.94                               | 218.95   | 114.90                              | 269.93 |
| <b>Operating Profit before working capital changes</b>  |   | 67.71  |                                     | 225.16   |                                     | 217.15   |                                     | 332.52 |
| <b>Changes in Working Capital</b>                       |   |        |                                     |          |                                     |          |                                     |        |
| Trade receivable  | (252.55)                                |        | (1,180.47)                          |          | (4,908.08)                          |          | 1,335.13                            |        |
| Other Loans and advances receivable                     | (196.04)                                |        | 24.55                               |          | 47.20                               |          | (43.98)                             |        |
| Inventories   | 130.19                                  |        | (164.07)                            |          | 265.65                              |          | (891.23)                            |        |
| Other Current Assets                                    | (2.21)                                  |        | 47.13                               |          | (60.23)                             |          | (28.35)                             |        |
| Trade Payables  | 752.50                                  |        | 851.86                              |          | 4,417.56                            |          | (49.06)                             |        |
| Other Current Liabilites                                | (4.66)                                  |        | (91.54)                             |          | 24.68                               |          | (102.30)                            |        |
| Current Investment                                      | -                                       |        | -                                   |          | -                                   |          | -                                   |        |
| Short term Provisions                                   | 10.26                                   |        | (142.91)                            |          | (3.72)                              |          | 95.52                               |        |
|   |   | 437.49 |                                     | (655.45) |                                     | (216.93) |                                     | 315.75 |
| <b>Net Cash Flow from Operation</b>                     |   | 505.20 |                                     | (430.29) |                                     | 0.22     |                                     | 648.27 |
| Less : Income Tax paid                                  |   | 8.76   |                                     | 23.48    |                                     | -        |                                     | 32.14  |
| <b>Net Cash Flow from Operating Activities (A)</b>      |   | 496.44 |                                     | (453.77) |                                     | 0.22     |                                     | 616.13 |
| <b>Cash flow from investing Activities</b>              |   |        |                                     |          |                                     |          |                                     |        |
| Purchase of Fixed Assets                                | -                                       |        | (40.81)                             |          | (17.38)                             |          | (74.86)                             |        |
| Sale of Fixed Assets                                    | 12.69                                   |        | 826.32                              |          | 8.02                                |          | -                                   |        |

|  |          |               |               |                |            |              |          |
|--|----------|---------------|---------------|----------------|------------|--------------|----------|
| Other Non-Current Assets (Net)   | -        | -             | -             | -              | -          | -            | -        |
| Movement in Loans & Advances   | 198.89   | (12.91)       | -             | -              | (84.05)    |              |          |
| Purchase/Sale of Investment  | -        | -             | -             | -              | (0.63)     |              |          |
| Interest Income  | -        | 2.27          | 1.58          |                | 1.87       |              |          |
|  |          | 211.59        | 774.87        | (7.78)         |            | (157.67)     |          |
| <b>Net Cash Flow from Investing Activities (B)</b>                     |          | 211.59        | 774.87        | (7.78)         |            | (157.67)     |          |
| <b>Cash Flow From Financing Activities</b>                             |          |               |               |                |            |              |          |
| Proceeds From long Term Borrowing (Net)                                | (103.80) | (52.95)       | 82.04         |                | (1,237.45) |              |          |
| Short Term Borrowing (Net)   | (448.92) | (188.90)      | (9.53)        |                | 404.78     |              |          |
| Interest Paid  | (36.01)  | (85.28)       | (99.94)       |                | (114.90)   |              |          |
| Issue of Share   | -        | (588.74)      | (327.13)      | -              | (27.43)    | 499.00       | (448.57) |
| <b>Net Cash Flow from Financing Activities (C)</b>                     |          | (588.74)      | (327.13)      | (27.43)        |            | (448.57)     |          |
| <b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b> |          | <b>119.29</b> | <b>(6.03)</b> | <b>(34.99)</b> |            | <b>9.88</b>  |          |
| Opening Cash & Cash Equivalents  |          | 3.40          | 9.43          | 44.42          |            | 34.54        |          |
| <b>Cash and cash equivalents at the end of the period</b>              |          | <b>122.69</b> | <b>3.40</b>   | <b>9.43</b>    |            | <b>44.42</b> |          |
| <b>Cash And Cash Equivalents Comprise:</b>                             |          |               |               |                |            |              |          |
| Cash   |          | 1.82          | 0.41          | 3.13           |            | 5.16         |          |
| <b>Bank Balance:</b>   |          |               |               |                |            |              |          |
| Current Account  |          | 117.88        | -             | 3.31           |            | 36.27        |          |
| Deposit Account  |          | 2.99          | 2.99          | 2.99           |            | 2.99         |          |
| <b>Total</b>   |          | <b>122.69</b> | <b>3.40</b>   | <b>9.43</b>    |            | <b>44.42</b> |          |

**Note: - 4 Significant accounting policies:**

**1.0 Corporate Information**

**Vivaa Tradecom Limited** is a Limited Company, incorporated under the provisions of Companies Act, 1956 and having CIN: U17120GJ2010PLC060395. The Company is mainly engaged in the business of Manufacturing and trading of garment products, fabric offline as well as online including trims and jobwork in fabric etc. The Registered office of the Company is situated at 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad, Gujarat-382405.

**1.1 Basis of preparation of financial statements**

**a. Accounting Convention: -**

These financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the Historical Cost Convention. and the Companies (Accounting Standards) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013.

The restated financial information has been prepared for inclusion in the Draft Prospectus and Prosepectus ("DP" or "P" "offer document") to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), Stock Exchange (SE) and other regulatory bodies in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the Company comprising a fresh issue of equity shares (the "Issue"), in accordance with the requirements of:

- Section 26 of part I of Chapter III of the Act
- relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

The Restated financial information have been compiled from:

- The audited financial statement of the Company as at September 30, 2022 which have been approved by the Board of Directors at their meeting held on 29th November,2022.
- The audited financial statement of the Company as at March 31, 2022 which have been approved by the Board of Directors at their meeting held on 20th August, 2022.
- The audited financial statement of the Company as at March 31, 2021 which have been approved by the Board of Directors at their meeting held on 05th November, 2021.
- The audited financial statement of the Company as at March 31, 2020 which have been approved by the Board of Directors at their meeting held on 12th December, 2020.
- The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**b. Functional and Presentation Currency:**

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees.

All amounts disclosed in the financial statements and notes are rounded off to lakhs the nearest INR rupee in compliance with Schedule III of the Act, unless otherwise stated.

Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

**c. Use of Estimates and Judgments**

The preparation of financial statement in conformity with accounting standard requires the Management to make estimates, judgments, and assumptions. These estimates, judgments and assumptions affects the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statement and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual result could differ from those estimates. As soon as the Management is aware of the changes, appropriate changes in estimates are made. The effect of such changes are reflected in the period in which such changes are made and, if material, their effect are disclosed in the notes to financial statement.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

**d. Current and Non - Current Classification**

An asset or a liability is classified as Current when it satisfies any of the following criteria:

- i. It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;
- ii. It is held primarily for the purpose of being traded.
- iii. It is expected to be realized / due to be settled within twelve months after the end of reporting date;
- iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-Current.

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

**1.2 Basis of Preparation**

**a) Property, Plant & Equipment and Intangible Assets: -**

- i. The company has adopted Cost Model to measure the gross carrying amount of Property Plant & Equipment.
- ii. Tangible Property Plant & Equipment are stated at cost of acquisition less accumulated depreciation. Cost includes the purchase price and all other attributable costs incurred for bringing the asset to its working condition for intended use.
- iii. Intangible assets are stated at the consideration paid for acquisition and customization thereof less accumulated amortization.
- iv. Cost of fixed assets not ready for use before the balance sheet date is disclosed as Capital Work in Progress.
- v. Cost of Intangible Assets not ready for use before the balance sheet date is disclosed as Intangible Assets under Development.

**b) Depreciation/ Amortisation : -**

Depreciation has been provided under Straight Line Method at the rates prescribed under schedule III of the Companies Act, 2013 on single shift and Pro Rata Basis to result in a more appropriate preparation or presentation of the financial statements.

In respect of assets added/sold during the year, pro-rata depreciation has been provided at the rates prescribed

under Schedule II.

Intangible assets being Software are amortized over a period of its useful life on a straight line basis, commencing from date the assets is available to the company for its use.

**c) Impairment of Assets:-**

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior period is reversed if there has been a change in the estimate of the recoverable amount.

**d) Investments:-**

- Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.
- On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident. There are no investment made by Company.
- Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value of long term investments is made to recognise a decline, other than temporary, on an individual investment basis.
- Current investments are carried in the financial statements at lower of cost and market value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.
- Long term investments which are expected to be realized within twelve months from the balance sheet date are presented under 'current investments' as 'current portion of long term investments' in accordance with the current / noncurrent classification of investments as per Schedule III Division I of the Companies Act, 2013.
- The cost of investments comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.
- Investment transactions are accounted for on a trade date basis. In determining the holding cost of investments and the gain or loss on sale of investments, the 'weighted average cost' method is followed.

**e) Government Grants and Subsidies:-**

The Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

- Grants in the nature of subsidies which are non – refundable are credited to the respective accounts to which the grants relate, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them.
- Grants in the nature of Subsidy which are Refundable are shown as Liabilities in the Balance Sheet at the Reporting date.

**f) Retirement Benefits: -**

**a) Short Term Employee Benefits:**

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

**b) Employment Benefits:**

**i) Defined Contribution Plans:**

The company has Defined Contribution Plans for post-employment benefit in the form of Provident Fund which are administered by the Regional Provident Fund Commissioner. Provident Fund are classified as defined contribution plans as the company has no further obligation beyond making contributions. The company's contributions to defined contribution plans are charged to the Statement of Profit and Loss as and when incurred.

**ii) Defined Benefit Plans:**

**a) Gratuity:**

The company has defined benefit plan for post-employment benefit in the form of gratuity for the employees which are provide the provision as per Accounting Standard AS 15. Liability for the said defined plan is provided on the basis of valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

**b) Leave Encashment:**

The Management has decided to pay all the pending leave of the year for the year in which the same has become payable and pending dues are cleared.

**g) Valuation of Inventory: -**

Inventories of the raw material, work-in-progress, finished goods, packing material, stores and spares, components, consumables and stock in trade are carried at lower of cost and net realizable value. However, raw material and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item by item basis.

Cost of inventories included the cost incurred in bringing the each product to its present location and conditions are accounted as follows:

**a) Raw Material:** - Cost included the purchase price and other direct or indirect costs incurred to bring the inventories into their present location and conditions. Cost is determined on *First in First out basis (FIFO)*.

**b) Finished Goods and Work-in-Progress:-** Work in progress are valued at cost which includes raw materials and cost incurred till the stage of production of process. Finished Goods are valued at cost or Net realizable value whichever is lower. Cost included cost of direct materials and the labor cost and a proportion of manufacturing overhead based on the normal operating capacity, but excluding the borrowing costs. Cost is determined on *"First in First out basis (FIFO)"*.

**c) Stock in Trade:-** Cost included the purchase price and other direct or indirect costs incurred in bringing the inventories to their present location and conditions. Cost is determined on *"Weighted Average Basis"*.

All other inventories of stores and spares, consumables, project material at site are valued at cost. The stock of waste or scrap is valued at net realizable value.

"Net Realizable Value" is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales of the products.

**h) Prior Period Items:-**

All identifiable items or income and expenditure pertaining to prior period are accounted through 'Prior Period Income/ Expenses Account'.



**i) Revenue Recognition:-**

Revenue is recognized when it is probable that economic benefit associated with the transaction flows to the Company in ordinary course of its activities and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into the account contractually defined terms of payments, net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits, including the excise duty, received and receivable by the Company, on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

**Sale of goods** is recognized at the point of dispatch of goods to customers, sales are exclusive of Sales tax, Vat, GST and Freight Charges if any. The revenue and expenditure are accounted on a going concern basis.

**Interest Income** is Recognized on a time proportion basis taking into account the amount outstanding and the rate applicable i.e. on the basis of matching concept.

**Dividend** from investments in shares / units is recognized when the company.

As per a recent ICAI opinion, the benefit of DEPB is recognized in the year of export itself, provided no uncertainty exists,

Other items of Income are accounted as and when the right to receive arises.

**j) Accounting for effects of changes in foreign exchange rates:-**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transactions.

Any income or expenses on account of exchange difference either on settlement or on Balance sheet Valuation is recognized in the profit and loss account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

Foreign currency transactions accounts are given in the notes of accounts.

**Commodity Hedging:** - The realized gain or loss in respect of commodity hedging contracts, the principal period of which has expired during the year, is recognized in profit and loss account. In respect of contracts, that are outstanding as on date of Balance sheet are valued at prevailing market price and the resultant loss, if any, is provided.

**k) Borrowing Cost :-**

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying property, plants and equipments are capitalized as a part of cost of that property, plants and equipments. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 “Borrowing Costs”. Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard – 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs and are capitalized as a part of cost of such property, plants and equipments if they are directly attributable to their acquisition or charged to the Standalone Statement or Profit and Loss.

**l) Related Party Disclosure :-**

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given in notes of accounts.

**m) Accounting for Leases :-**

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Company is classified as a finance lease.

The Company as a lessee:

**a) Operating Lease:-** Rental payable under the operating lease are charged to the Standalone Statement of Profit and Loss on a Straight line basis over the term of the relevant lease.

**b) Finance Lease:-** Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against the income over the period of the lease.

The Company has not provided any of its assets on the basis of operating lease or finance lease to others.

**n) Cash flow:-**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

**o) Earnings Per Share:-**

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, "Earnings per Share". Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

**p) Taxes on Income:-**

• **Current Tax: -**

Provision for current tax is made after taken into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

• **Deferred Taxes: -**

Deferred Income Tax is provided using the liability method on all temporary difference at the balance sheet date between the tax basis of assets and liabilities and their carrying amount for financial reporting purposes.

- I. Deferred Tax Assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available in the future against which this item can be utilized.
- II. Deferred Tax Assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled, based on tax rates (and the tax) that have been enacted or enacted subsequent to the balance sheet date.

**q) Discontinuing Operations: -**

During the year the company has not discontinued any of its operations.

**r) Provisions Contingent liabilities and contingent assets: -**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liability.

A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation is reported as Contingent Liability. In the rare cases, when a liability cannot be measured reliably, it is classified as Contingent Liability. The Company does not recognize a Contingent Liability but disclosed its existence in the standalone financial statements.

**s) Event after Reporting Date:-**

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

All the events occurring after the Balance Sheet date up to the date of the approval of the restated financial statement of the Company by the board of directors, have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Accounting Standards.

**ANNEXURE 5 SHARE CAPITAL**
**(Rs. In Lakhs)**

| Share Capital                             | As At 30th September 2022 |                   | As At 31st March 2022 |                   | As At 31st March 2021 |                   | As At 31st March 2020 |                   |
|---|---------------------------|-------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|-------------------|
|   | Number                    | Amt. Rs. In Lakhs | Number                | Amt. Rs. In Lakhs | Number                | Amt. Rs. In Lakhs | Number                | Amt. Rs. In Lakhs |
| <b>Authorised</b>                         |                           |                   |                       |                   |                       |                   |                       |                   |
| Equity Shares of Rs.10 each               | 5,00,000.00               | 50.00             | 5,00,000.00           | 50.00             | 5,00,000.00           | 50.00             | 5,00,000.00           | 50.00             |
| <b>Issued</b>                             | -                         |                   | -                     |                   | -                     |                   | -                     |                   |
| Equity Shares of Rs.10 each               | 23,250.00                 | 2.33              | 23,250.00             | 2.33              | 23,250.00             | 2.33              | 23,250.00             | 2.33              |
| <b>Subscribed &amp; Paid up</b>           | -                         |                   | -                     |                   | -                     |                   | -                     |                   |
| Equity Shares of Rs.10 each fully paid up | 23,250.00                 | 2.33              | 23,250.00             | 2.33              | 23,250.00             | 2.33              | 23,250.00             | 2.33              |
| <b>Total</b>                              | <b>23,250.00</b>          | <b>2.33</b>       | <b>23,250.00</b>      | <b>2.33</b>       | <b>23,250.00</b>      | <b>2.33</b>       | <b>23,250.00</b>      | <b>2.33</b>       |

**RECONCILIATION OF NUMBER OF SHARES**
**(Rs. In Lakhs)**

| Particulars                                     | Equity Shares |        | Equity Shares |        | Equity Shares |        | Equity Shares |        |
|---|---------------|--------|---------------|--------|---------------|--------|---------------|--------|
|   | Number        | Amount | Number        | Amount | Number        | Amount | Number        | Amount |
| Shares outstanding at the beginning of the year | 23,250.00     | 2.33   | 23,250.00     | 2.33   | 23,250.00     | 2.33   | 10,000.00     | 1.00   |
| Shares Issued during the year                   | -             | -      | -             | -      | -             | -      | 13,250.00     | 1.33   |
| Shares bought back during the year              | -             | -      | -             | -      | -             | -      | -             | -      |
| Shares outstanding at the end of the year       | 23,250.00     | 2.33   | 23,250.00     | 2.33   | 23,250.00     | 2.33   | 23,250.00     | 2.33   |

The Company has only one class of equity shares having a per value of Rs. 10/- Per Share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares by the shareholders.

**Details of Shares held by shareholders holding more than 5% of the aggregate shares in the co.**
**(Rs. In Lakhs)**

| Name of Shareholder | As At 30th September 2022 |              | As At 31st March 2022 |              | As At 31st March 2021 |              | As At 31st March 2020 |              |
|---------------------|---------------------------|--------------|-----------------------|--------------|-----------------------|--------------|-----------------------|--------------|
|                     | No. of Shares held        | % of Holding | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding |
| Mitesh J. Adani     | 22,715.00                 | 97.70%       | 22,715.00             | 97.70%       | 22,715.00             | 97.70%       | 22,715.00             | 97.70%       |

## ANNEXURE 6 RESERVE AND SURPLUS

(Rs. In Lakhs)

| Particulars                                     | As at 30th<br>September 2022 | As at 31st<br>March 2022 | As at 31st<br>March 2021 | As at 31st<br>March 2020 |
|---|------------------------------|--------------------------|--------------------------|--------------------------|
| <b>A. Securities Premium Account</b>            |                              |                          |                          |                          |
| Opening Balance                                 | 497.67                       | 497.67                   | 497.67                   | -                        |
| Add: Credited on Share issue                    | -                            | -                        | -                        | 497.67                   |
| Closing Balance                                 | 497.67                       | 497.67                   | 497.67                   | 497.67                   |
| <b>B. Surplus</b>                               |                              |                          |                          |                          |
| Opening balance                                 | 662.98                       | 618.59                   | 625.07                   | 583.34                   |
| (+) Net Profit/(Net Loss) For the current year  | 12.68                        | 44.39                    | (6.48)                   | 41.73                    |
| (-) Tax Provision Set Off                       | -                            | -                        | -                        | -                        |
| (-) Proposed Dividend                           | -                            | -                        | -                        | -                        |
| (-) Tax on Dividend                             | -                            | -                        | -                        | -                        |
| (-) Adjustment in F.A as per Companies Act,2013 | -                            | -                        | -                        | -                        |
| Closing Balance                                 | 675.66                       | 662.98                   | 618.59                   | 625.07                   |
| <b>Total</b>                                    | <b>1,173.33</b>              | <b>1,160.65</b>          | <b>1,116.26</b>          | <b>1,122.74</b>          |

## ANNEXURE 7 LONG TERM BORROWINGS

(Rs. In Lakhs)

| Particulars   | As at 30th<br>September 2022 | As at 31st<br>March 2022 | As at 31st<br>March 2021 | As at 31st<br>March 2020 |
|---|------------------------------|--------------------------|--------------------------|--------------------------|
| <b>Secured</b>  |                              |                          |                          |                          |
| <b>(a) Term loans</b>   |                              |                          |                          |                          |
| <b>From Financial Institutions</b>  |                              |                          |                          |                          |
| ICICI Bank  | 27.40                        | 43.61                    | 74.87                    | 102.12                   |
| <b>(b) Other Loans and advances</b>   | -                            | -                        | -                        | -                        |
| Sub-total (a)   | 27.40                        | 43.61                    | 74.87                    | 102.12                   |
| <b>Unsecured</b>  |                              |                          |                          |                          |
| <b>(a) Term loans</b>   |                              |                          |                          |                          |
| <b>From Financial Institutions</b>  |                              |                          |                          |                          |
| ECLGS Loan  | -                            | 87.60                    | 109.28                   | -                        |
| <b>(b) From Promoters/ Promoters Group/ Group Companies/Directors &amp; their Relatives</b> | -                            | -                        | -                        | -                        |
| Sub-total (b)   | -                            | 87.60                    | 109.28                   | -                        |
| <b>Total</b>  | <b>27.40</b>                 | <b>131.20</b>            | <b>184.15</b>            | <b>102.12</b>            |

## ANNEXURE 8 SHORT TERM BORROWINGS

(Rs. In Lakhs)

| Particulars  | As at 30th<br>September 2022 | As at 31st<br>March 2022 | As at 31st<br>March 2021 | As at 31st<br>March 2020 |
|--|------------------------------|--------------------------|--------------------------|--------------------------|
| <b>Secured</b>                                     |                              |                          |                          |                          |
| <b>(a) Loan Payable on Demand from banks</b>       |                              |                          |                          |                          |
| HDFC Bank  | -                            | 505.54                   | 685.78                   | 703.71                   |
| HDFC Bank (Current Account)                        | -                            | 0.65                     | -                        | -                        |
| <b>(b) Current maturities of Long-Term Debt</b>    |                              |                          |                          |                          |
| <b>(i.e. Term Liability classified as current)</b> |                              |                          |                          |                          |
| ICICI Bank   | 32.82                        | 31.26                    | 27.25                    | 14.71                    |
|  | <b>32.82</b>                 | <b>537.45</b>            | <b>713.02</b>            | <b>718.42</b>            |
| <b>Unsecured</b>                                   |                              |                          |                          |                          |
| <b>(a) From Financial Institutions</b>             |                              |                          |                          |                          |

|   |               |               |                 |                 |
|---|---------------|---------------|-----------------|-----------------|
| ECLGS Loan  | 87.60         | 21.69         | 27.56           | -               |
| <b>(b) From Promoters/ Promoters Group/ Group Companies/Directors &amp; their Relatives</b> | 412.52        | 422.72        | 430.17          | 454.24          |
| <b>(c) Loans and advances from others</b>   | -             | -             | -               | 7.62            |
| <b>Total</b>  | <b>532.93</b> | <b>981.85</b> | <b>1,170.75</b> | <b>1,180.28</b> |

**ANNEXURE 9 TRADE PAYABLES**

(Rs. In Lakhs)

| Particulars  | As at 30 th September 2022 | As at 31 st March 2022 | As at 31 st March 2021 | As at 31 st March 2020 |
|--|----------------------------|------------------------|------------------------|------------------------|
| <b>Outstanding dues of micro enterprises and small enterprises</b>                               |                            |                        |                        |                        |
| <b>Outstanding for Following Period from Due date</b>  |                            |                        |                        |                        |
| Less than 01 Years   | -                          | -                      | 11.77                  | -                      |
| <b>Outstanding dues of creditors other than micro enterprises and small enterprises</b>          |                            |                        |                        |                        |
| <b>Unbilled</b>  | -                          | -                      | -                      | -                      |
| <b>Not Due</b>   | -                          | -                      | -                      | -                      |
| <b>Outstanding for Following Period from Due date</b>  |                            |                        |                        |                        |
| Less than 01 Years   | 8,172.87                   | 7,400.20               | 6,537.29               | 2,142.61               |
| 01-02 Years  | -                          | 20.17                  | 19.43                  | 8.34                   |
| 02-03 Years  | -                          | -                      | -                      | -                      |
| More than 3 Years  | -                          | -                      | -                      | -                      |
| <b>Disputed Outstanding dues of micro enterprises and small enterprises</b>                      | -                          | -                      | -                      | -                      |
| <b>Disputed Outstanding dues of creditors other than micro enterprises and small enterprises</b> | -                          | -                      | -                      | -                      |
| <b>Total</b>   | <b>8,172.87</b>            | <b>7,420.37</b>        | <b>6,568.50</b>        | <b>2,150.94</b>        |

**ANNEXURE 10 OTHER CURRENT LIABILITIES**

(Rs. In Lakhs)

| Particulars                          | As at 30th September 2022 | As at 31st March 2022 | As at 31st March 2021 | As at 31st March 2020 |
|--------------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| (i) Statutory Remittance             |                           |                       |                       |                       |
| (i) PF Payable                       | -                         | -                     | -                     | -                     |
| (ii) ESCI Payable                    | -                         | -                     | -                     | -                     |
| (iii) TDS Payable                    | 1.78                      | 11.82                 | 7.61                  | 5.98                  |
| (iii) Advanced from Customers        | 14.48                     | 8.45                  | 13.98                 | 7.48                  |
| (iv) Deposits from Customers/ Stores | -                         | -                     | 2.02                  | 3.14                  |
| (v) Other Payables (Specify Nature)  |                           |                       |                       |                       |
| Unpaid Expenses                      | -                         | -                     | 3.16                  | 2.41                  |
| Salary payable                       | -                         | 0.65                  | 85.68                 | 68.75                 |
| <b>Total</b>                         | <b>16.25</b>              | <b>20.91</b>          | <b>112.46</b>         | <b>87.77</b>          |

**ANNEXURE 11 SHORT TERM PROVISIONS**

(Rs. In Lakhs)

| Particulars                      | As at 30th September 2022 | As at 31st March 2022 | As at 31st March 2021 | As at 31st March 2020 |
|----------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| <b>Provision For</b>             |                           |                       |                       |                       |
| <b>(a) Employee benefits</b>     |                           |                       |                       | -                     |
| <b>(i) Contribution to PF</b>    | -                         | -                     | 3.68                  | 4.52                  |
| <b>(ii) Contribution to ESIC</b> | -                         | -                     | 1.63                  | 1.47                  |

|                                    |              |              |               |               |
|------------------------------------|--------------|--------------|---------------|---------------|
| (iii) Bonus                        | 0.60         | 0.60         | 73.87         | 68.04         |
| (iv) Leave Encashment & Gratuity   | 3.52         | 3.52         | 73.57         | 82.45         |
| (v) Professional tax Payable       | -            | -            | 0.69          | 0.68          |
| <b>(b) Others (Specify nature)</b> |              |              |               |               |
| (i) Income Tax                     | 64.48        | 55.72        | 49.32         | 49.32         |
| (ii) Provision for Audit Fees      | 3.00         | 1.50         | 1.50          | 1.50          |
| <b>Total</b>                       | <b>71.60</b> | <b>61.34</b> | <b>204.25</b> | <b>207.97</b> |

**ANNEXURE 12 NON-CURRENT INVESTMENTS**

(Rs. In Lakhs)

| Particulars                                     | As at 30th<br>September 2022 | As at 31st<br>March 2022 | As at 31st<br>March 2021 | As at 31st<br>March 2020 |
|---|------------------------------|--------------------------|--------------------------|--------------------------|
| Investment In Gold                              | 0.63                         | 0.63                     | 0.63                     | 0.63                     |
| <b>Aggregate number of unquoted Investments</b> | <b>0.63</b>                  | <b>0.63</b>              | <b>0.63</b>              | <b>0.63</b>              |
| <b>Total</b>                                    | <b>0.63</b>                  | <b>0.63</b>              | <b>0.63</b>              | <b>0.63</b>              |

**ANNEXURE 13 LONG TERM LOANS AND ADVANCES**

(Rs. In Lakhs)

| Particulars   | As at 30th<br>September 2022 | As at 31st<br>March 2022 | As at 31st<br>March 2021 | As at 31st<br>March 2020 |
|---|------------------------------|--------------------------|--------------------------|--------------------------|
| (Unsecured and Considered Good)   |                              |                          |                          |                          |
| <b>a. long term loans and advances recoverable from Directors /Promoters/ Promoter Group/ Associates/ Relatives of Directors/ Group Company</b> | -                            | -                        | -                        | -                        |
| <b>b. Balance with Government Authorities</b>   | -                            | -                        | -                        | -                        |
| <b>C. other</b>   | -                            | 198.89                   | 185.99                   | 185.99                   |
| <b>Total</b>  | -                            | <b>198.89</b>            | <b>185.99</b>            | <b>185.99</b>            |

## ANNEXURE 14 PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lakhs)

| Fixed Assets             | Gross Block                   |              |             | Accumulated Depreciation       |                               |                                  |                                     |              | Net Block                      |                                |                                |
|--------------------------|-------------------------------|--------------|-------------|--------------------------------|-------------------------------|----------------------------------|-------------------------------------|--------------|--------------------------------|--------------------------------|--------------------------------|
|                          | Balance as at 1 st April 2019 | Additions    | Disposals   | Balance as at 31 st March 2020 | Balance as at 1 st April 2019 | Depreciation charge for the year | Adjustment due Prior Period Written | On disposals | Balance as at 31 st March 2020 | Balance as at 31 st March 2020 | Balance as at 31 st March 2019 |
| <b>Tangible Assets</b>   |                               |              |             |                                |                               |                                  |                                     |              |                                |                                |                                |
| Building                 | 109.70                        | -            | -           | 109.70                         | 7.82                          | 1.74                             | -                                   | -            | 9.56                           | 100.14                         | 101.88                         |
| Plant and Equipment      | 1,068.64                      | 59.59        | -           | 1,128.23                       | 261.43                        | 69.22                            | -                                   | -            | 330.65                         | 797.58                         | 807.21                         |
| Furniture and Fixtures   | 123.34                        | -            | -           | 123.34                         | 66.90                         | 12.13                            | -                                   | -            | 79.03                          | 44.31                          | 56.44                          |
| Vehicles                 | 0.85                          | -            | -           | 0.85                           | 0.26                          | 0.08                             | -                                   | -            | 0.34                           | 0.51                           | 0.59                           |
| Computers & Printers     | 24.94                         | 0.50         | -           | 25.44                          | 18.06                         | 2.77                             | -                                   | -            | 20.83                          | 4.61                           | 6.88                           |
| Motor Car                | 178.10                        | -            | 4.55        | 173.55                         | 14.51                         | 20.93                            | -                                   | 3.44         | 31.99                          | 141.56                         | 163.60                         |
| Electrical Installations | 71.74                         | -            | -           | 71.74                          | 39.38                         | 7.20                             | -                                   | -            | 46.58                          | 25.16                          | 32.35                          |
| Office Equipment         | 23.78                         | 2.68         | -           | 26.46                          | 16.60                         | 2.76                             | -                                   | -            | 19.36                          | 7.10                           | 7.18                           |
| Laboratory Equipments    | 0.09                          | -            | -           | 0.09                           | 0.05                          | 0.01                             | -                                   | -            | 0.06                           | 0.03                           | 0.04                           |
| Material Handling System | 0.99                          | -            | -           | 0.99                           | 0.54                          | 0.10                             | -                                   | -            | 0.64                           | 0.35                           | 0.44                           |
| Safety Alarm System      | 0.10                          | -            | -           | 0.10                           | 0.10                          | -                                | -                                   | -            | 0.10                           | 0.01                           | 0.01                           |
| Borewell & ETP Plant     | 1.03                          | 12.09        | -           | 13.11                          | 0.62                          | 2.49                             | -                                   | -            | 3.11                           | 10.00                          | 0.41                           |
| Goodwill                 | 36.82                         | -            | -           | 36.82                          | -                             | 3.68                             | 33.14                               | -            | 36.82                          | -                              | 36.82                          |
| <b>Total</b>             | <b>1,640.11</b>               | <b>74.86</b> | <b>4.55</b> | <b>1,710.42</b>                | <b>426.27</b>                 | <b>123.11</b>                    | <b>33.14</b>                        | <b>3.44</b>  | <b>579.07</b>                  | <b>1,131.35</b>                | <b>1,213.84</b>                |



| Fixed Assets             | Gross Block                   |              |              |                                | Accumulated Depreciation      |                                  |                                |              | Net Block                      |                                |                                |
|--------------------------|-------------------------------|--------------|--------------|--------------------------------|-------------------------------|----------------------------------|--------------------------------|--------------|--------------------------------|--------------------------------|--------------------------------|
|                          | Balance as at 1 st April 2020 | Additions    | Disposals    | Balance as at 31 st March 2021 | Balance as at 1 st April 2020 | Depreciation charge for the year | Adjustment due to revaluations | On disposals | Balance as at 31 st March 2021 | Balance as at 31 st March 2021 | Balance as at 31 st March 2020 |
| <b>Tangible Assets</b>   |                               |              |              |                                |                               |                                  |                                |              |                                |                                |                                |
| Building                 | 109.70                        | -            | -            | 109.70                         | 9.56                          | 1.74                             | -                              | -            | 11.30                          | 98.40                          | 100.14                         |
| Plant and Equipment      | 1,128.23                      | 11.82        | -            | 1,140.05                       | 330.65                        | 72.37                            | -                              | -            | 403.02                         | 737.03                         | 797.58                         |
| Furniture and Fixtures   | 123.34                        | -            | -            | 123.34                         | 79.03                         | 12.14                            | -                              | -            | 91.18                          | 32.16                          | 44.31                          |
| Vehicles                 | 0.85                          | -            | -            | 0.85                           | 0.34                          | 0.08                             | -                              | -            | 0.42                           | 0.43                           | 0.51                           |
| Computers & Printers     | 25.44                         | 4.07         | -            | 29.51                          | 20.83                         | 2.15                             | -                              | -            | 22.98                          | 6.53                           | 4.61                           |
| Motor Car                | 173.55                        | -            | -            | 173.55                         | 31.99                         | 20.63                            | -                              | -            | 52.62                          | 120.93                         | 141.56                         |
| Electrical Installations | 71.74                         | -            | -            | 71.74                          | 46.58                         | 7.20                             | -                              | -            | 53.78                          | 17.95                          | 25.16                          |
| Office Equipment         | 26.46                         | 1.48         | -            | 27.94                          | 19.36                         | 2.25                             | -                              | -            | 21.61                          | 6.33                           | 7.10                           |
| Laboratory Equipments    | 0.09                          | -            | -            | 0.09                           | 0.06                          | 0.01                             | -                              | -            | 0.07                           | 0.02                           | 0.03                           |
| Material Handling System | 0.99                          | -            | -            | 0.99                           | 0.64                          | 0.10                             |                                |              | 0.74                           | 0.25                           | 0.35                           |
| Safety Alarm System      | 0.10                          | -            | -            | 0.10                           | 0.10                          |                                  |                                |              | 0.10                           | 0.01                           | 0.01                           |
| Borewell & ETP Plant     | 13.11                         | -            | 12.09        | 1.03                           | 3.11                          | 1.91                             | -                              | 4.07         | 0.95                           | 0.07                           | 10.00                          |
| <b>Total</b>             | <b>1,673.60</b>               | <b>17.38</b> | <b>12.09</b> | <b>1,678.89</b>                | <b>542.25</b>                 | <b>120.59</b>                    | <b>-</b>                       | <b>4.07</b>  | <b>658.77</b>                  | <b>1,020.12</b>                | <b>1,131.35</b>                |

| Fixed Assets             | Gross Block                   |              |                 |                                | Accumulated Depreciation      |                                  |                                |               | Net Block                      |                                |                                |
|--------------------------|-------------------------------|--------------|-----------------|--------------------------------|-------------------------------|----------------------------------|--------------------------------|---------------|--------------------------------|--------------------------------|--------------------------------|
|                          | Balance as at 1 st April 2021 | Additions    | Disposals       | Balance as at 31 st March 2022 | Balance as at 1 st April 2021 | Depreciation charge for the year | Adjustment due to revaluations | On disposals  | Balance as at 31 st March 2022 | Balance as at 31 st March 2022 | Balance as at 31 st March 2021 |
| <b>Tangible Assets</b>   |                               |              |                 |                                |                               |                                  |                                |               |                                |                                |                                |
| Building                 | 109.70                        | -            | 109.70          | -                              | 11.30                         | 1.74                             | -                              | 13.03         | -                              | -                              | 98.40                          |
| Plant and Equipment      | 1,140.05                      | 23.60        | 1,139.51        | 24.14                          | 403.02                        | 73.00                            |                                | 464.42        | 11.60                          | 12.54                          | 737.03                         |
| Furniture and Fixtures   | 123.34                        | 4.87         | 128.21          | -                              | 91.18                         | 12.34                            | -                              | 103.52        | -                              | -                              | 32.16                          |
| Vehicles                 | 0.85                          | -            | -               | 0.85                           | 0.42                          | 0.08                             | -                              |               | 0.50                           | 0.35                           | 0.43                           |
| Computers & Printers     | 29.51                         | 1.94         | 31.44           | -                              | 22.98                         | 3.00                             | -                              | 25.98         | -                              | -                              | 6.53                           |
| Motor Car                | 173.55                        | -            | -               | 173.55                         | 52.62                         | 20.16                            | -                              |               | 72.79                          | 100.77                         | 120.93                         |
| Electrical Installations | 71.74                         |              | 71.74           | -                              | 53.78                         | 7.20                             | -                              | 60.99         | -                              | -                              | 17.95                          |
| Office Equipment         | 27.94                         | 10.40        | 38.34           | -                              | 21.61                         | 3.17                             | -                              | 24.78         | -                              | -                              | 6.33                           |
| Laboratory Equipments    | 0.09                          |              | 0.09            | -                              | 0.07                          | 0.01                             | -                              | 0.08          | -                              | -                              | 0.02                           |
| Material Handling System | 0.99                          |              | 0.99            | -                              | 0.74                          | 0.10                             | -                              | 0.84          | -                              | -                              | 0.25                           |
| Safety Alarm System      | 0.10                          |              | 0.10            | -                              | 0.10                          | -                                | -                              | 0.10          | -                              | -                              | 0.01                           |
| Borewell & ETP Plant     | 1.03                          |              | 1.03            | -                              | 0.95                          | 0.02                             | -                              | 0.97          | -                              | -                              | 0.07                           |
| <b>Total</b>             | <b>1,678.89</b>               | <b>40.81</b> | <b>1,521.16</b> | <b>198.54</b>                  | <b>658.77</b>                 | <b>120.83</b>                    | <b>-</b>                       | <b>694.71</b> | <b>84.89</b>                   | <b>113.65</b>                  | <b>1,020.12</b>                |

| Fixed Assets           | Gross Block                   |           |              |                                   | Accumulated Depreciation      |                                  |                                |              | Net Block                         |                                   |                                |
|------------------------|-------------------------------|-----------|--------------|-----------------------------------|-------------------------------|----------------------------------|--------------------------------|--------------|-----------------------------------|-----------------------------------|--------------------------------|
|                        | Balance as at 1 st April 2022 | Additions | Disposals    | Balance as at 30th September 2022 | Balance as at 1 st April 2022 | Depreciation charge for the year | Adjustment due to revaluations | On disposals | Balance as at 30th September 2022 | Balance as at 30th September 2022 | Balance as at 31 st March 2022 |
| <b>Tangible Assets</b> |                               |           |              |                                   |                               |                                  |                                |              |                                   |                                   |                                |
| Motor Car              | 173.55                        | -         | -            | 173.55                            | 72.79                         | 9.64                             | -                              | -            | 82.43                             | 91.13                             | 100.77                         |
| Plant and Equipment    | 24.14                         | -         | 24.14        | -                                 | 11.60                         | -                                | -                              | 11.60        | -                                 | -                                 | 12.54                          |
| Vehicles               | 0.85                          | -         | 0.36         | 0.49                              | 0.50                          | 0.03                             | -                              | 0.20         | 0.32                              | 0.16                              | 0.35                           |
| <b>Total</b>           | <b>198.54</b>                 | <b>-</b>  | <b>24.50</b> | <b>174.04</b>                     | <b>84.89</b>                  | <b>9.67</b>                      | <b>-</b>                       | <b>11.81</b> | <b>82.75</b>                      | <b>91.29</b>                      | <b>113.65</b>                  |

## ANNEXURE 15 INVENTORIES

(Rs. In Lakhs)

| Particulars  | As at 30th<br>September 2022 | As at 31st<br>March 2022 | As at 31st<br>March 2021 | As at 31st<br>March 2020 |
|--|------------------------------|--------------------------|--------------------------|--------------------------|
| a. Raw Material<br>(Valued at Lower of Cost or NRV as per FIFO Method)   | -                            | -                        | 301.52                   | 206.39                   |
| b. Semi-Finished Goods<br>(Valued at Estimated Cost)                     | -                            | -                        | 470.20                   | 702.96                   |
| c. Finished Goods<br>(Valued at Lower of Cost or NRV as per FIFO Method) | -                            | 267.57                   | 232.34                   | 330.19                   |
| d. Stock-In-Trade<br>(Valued at Lower of Cost or NRV as per FIFO Method) | 1,933.79                     | 1,796.41                 | 895.84                   | 926.01                   |
| <b>Total</b>   | <b>1,933.79</b>              | <b>2,063.98</b>          | <b>1,899.91</b>          | <b>2,165.56</b>          |

## ANNEXURE 16 TRADE RECEIVABLES

(Rs. In Lakhs)

| Particulars  | As at 30th<br>September<br>2022 | As at 31st<br>March<br>2022 | As at 31st<br>March<br>2021 | As at 31st<br>March<br>2020 |
|--|---------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Undisputed Trade Receivable - Considered good</b>     |                                 |                             |                             |                             |
| <b>Not Due</b>   |                                 |                             |                             |                             |
| <b>Outstanding for Following Period from Due date</b>    |                                 |                             |                             |                             |
| Less than 6 Months                                       | 7,281.84                        | 7,029.30                    | 5,762.87                    | 802.31                      |
| 6 Months - 1 Years                                       | -                               | 14.46                       | 32.39                       | 117.73                      |
| 01-02 Years  | 42.62                           | 28.15                       | 96.19                       | 63.33                       |
| 02-03 Years  | -                               | -                           | -                           | -                           |
| More than 3 Years  | -                               | -                           | -                           | -                           |
| <b>Undisputed Trade Receivable - Considered doubtful</b> | -                               | -                           | -                           | -                           |
| <b>Disputed Trade Receivable - Considered good</b>       | -                               | -                           | -                           | -                           |
| <b>Disputed Trade Receivable - Considered Doubtful</b>   | -                               | -                           | -                           | -                           |
| <b>Total</b>   | <b>7,324.46</b>                 | <b>7,071.92</b>             | <b>5,891.45</b>             | <b>983.37</b>               |

## ANNEXURE 17 CASH AND CASH EQUIVALENTS

(Rs. In Lakhs)

| Particulars   | As at 30 th<br>September 2022 | As at 31 st<br>March 2022 | As at 31 st<br>March 2021 | As at 31 st<br>March 2020 |
|---|-------------------------------|---------------------------|---------------------------|---------------------------|
| a. Cash on Hand   | 1.82                          | 0.41                      | 3.13                      | 5.16                      |
| <b>b. Balance with Banks</b>  |                               |                           |                           |                           |
| (i) in Current Accounts   | 8.84                          | -                         | 3.31                      | 36.27                     |
| (i) in OD Account   | 109.04                        | -                         | -                         | -                         |
| <b>Other</b>  |                               |                           |                           |                           |
| Margin money having more than 3 Months Initial maturity but less than 12 months | -                             | -                         | -                         | -                         |
| Margin money having more than 12 Months Initial maturity                        | 2.99                          | 2.99                      | 2.99                      | 2.99                      |
| <b>Total</b>  | <b>122.69</b>                 | <b>3.40</b>               | <b>9.43</b>               | <b>44.42</b>              |

## ANNEXURE 18 SHORT TERM LOANS AND ADVANCES

(Rs. In Lakhs)

| Particulars   | As at 30th<br>September 2022 | As at 31st<br>March 2022 | As at 31st<br>March 2021 | As at 31st<br>March 2020 |
|---|------------------------------|--------------------------|--------------------------|--------------------------|
| (Unsecured and Considered Good)   |                              |                          |                          |                          |
| <b>a. Loans and advances to Directors/<br/>Promoters/<br/>Promoter Group/</b> | -                            | -                        | -                        | -                        |

| Associates/<br>Directors/Group Company        | Relatives<br>of |               |               |               |               |
|---|-----------------|---------------|---------------|---------------|---------------|
| <b>b. Balance with Government Authorities</b> |                 | 302.01        | 305.77        | 272.98        | 235.93        |
| <b>c. Others (specify nature)</b>             |                 |               |               |               |               |
| Advance to Suppliers                          |                 | 1.44          | 3.53          | 27.32         | 66.00         |
| Loans & Advances to Employees                 |                 | -             | 0.15          | 33.70         | 45.80         |
| Others  |                 | 202.04        | -             | -             | 33.47         |
| <b>Total</b>                                  |                 | <b>505.49</b> | <b>309.44</b> | <b>333.99</b> | <b>381.20</b> |

**ANNEXURE 19 OTHER CURRENT ASSETS**
**(Rs. In Lakhs)**

| Particulars                  | As at 30th<br>September<br>2022 | As at 31st<br>March 2022 | As at 31st<br>March 2021 | As at 31st<br>March 2020 |
|------------------------------|---------------------------------|--------------------------|--------------------------|--------------------------|
| <b>(a) Deposits</b>          | 38.00                           | 38.00                    | 83.95                    | 25.22                    |
| <b>(b) Prepaid Expenses</b>  | 1.64                            | -                        | 3.11                     | 3.07                     |
| <b>(d) Accruals</b>          |                                 |                          |                          |                          |
| Interest accrued on deposits | 4.12                            | 3.55                     | 1.61                     | 0.15                     |
| <b>(c) Others</b>            |                                 |                          |                          |                          |
| Deferred Revenue Exp.        |                                 |                          |                          |                          |
| <b>Total</b>                 | <b>43.76</b>                    | <b>41.55</b>             | <b>88.68</b>             | <b>28.45</b>             |

**ANNEXURE 20 CONTINGENT LIABILITIES AND COMMITMENTS**
**(Rs. In Lakhs)**

| Particulars   | As at 30th<br>September<br>2022 | As at<br>31st<br>March<br>2022 | As at<br>31st<br>March<br>2021 | As at<br>31st<br>March<br>2020 |
|---|---------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>(a) Contingent Liabilities</b>                           |                                 |                                |                                |                                |
| a. Claims against the company not acknowledged as debts     | 521.16                          | 521.16                         | 521.16                         | 521.16                         |
| b. Guarantees   |                                 |                                |                                |                                |
| c. Other Money for which the company is contingently liable |                                 |                                |                                |                                |
| <b>(b) Commitments</b>                                      |                                 |                                |                                |                                |
| <b>Total</b>  | <b>521.16</b>                   | <b>521.16</b>                  | <b>521.16</b>                  | <b>521.16</b>                  |

**ANNEXURE 21 REVENUE FROM OPERATIONS**
**(Rs. In Lakhs)**

| Particulars              | For the year<br>ended 30th<br>September 2022 | For the year<br>ended 31 st<br>March 2022 | For the year<br>ended 31 st<br>March 2022 | For the year<br>ended 31 st<br>March 2020 |
|--------------------------|--|---|---|---|
| Sale of Products         | 8,552.01                                     | 23,710.91                                 | 14,131.25                                 | 9,061.04                                  |
| Sale of Services         | -  | 609.40                                    | 507.71                                    | 758.50                                    |
| Other Operating Revenues | -  | -   | 2.44                                      | 0.19                                      |
| <b>Total</b>             | <b>8,552.01</b>                              | <b>24,320.31</b>                          | <b>14,641.40</b>                          | <b>9,819.74</b>                           |

**ANNEXURE 21.1 PARTICULARS OF SALE OF PRODUCTS**
**(Rs. In Lakhs)**

| Particulars                     | For the year<br>ended 30th<br>September 2022 | For the year<br>ended 31 st<br>March 2022 | For the year<br>ended 31 st<br>March 2021 | For the year<br>ended 31 st<br>March 2020 |
|---------------------------------|--|---|---|---|
| <b>Sale of Products</b>         |  |   |   |   |
| <b>Manufactured Goods</b>       |  |   |   |   |
| Sale of Garments                | -  | 4,931.94                                  | 2,949.17                                  | 6,234.91                                  |
| Sale of Tims and other Products | -  | 3,124.86                                  | 2,688.12                                  | 140.84                                    |
| <b>Traded Goods</b>             | -  | -   | -   | -   |
| Sale of Fabric                  | 7,609.55                                     | 15,654.12                                 | 8,493.97                                  | 2,685.29                                  |
| Sale of Garments                | 782.48                                       | -   | -   | -   |
| Sale of Tims and other Products | 159.98                                       | -   | -   | -   |

|                                 |                 |                  |                  |                 |
|---------------------------------|-----------------|------------------|------------------|-----------------|
| <b>Sub-total</b>                | <b>8,552.01</b> | <b>23,710.91</b> | <b>14,131.25</b> | <b>9,061.04</b> |
| <b>Sale of Services</b>         |                 |                  |                  |                 |
| Jobwork Income                  | -               | 609.40           | 507.71           | 758.50          |
| <b>Other Operating Revenues</b> |                 |                  |                  |                 |
| Packing Charges for Jobwork     | -               | -                | 0.79             | 0.01            |
| Export Duty Drawback            | -               | -                | 1.65             | -               |
| Rate Difference Income          | -               | -                | -                | 0.17            |
| <b>Sub-total</b>                | <b>-</b>        | <b>-</b>         | <b>2.44</b>      | <b>0.19</b>     |
| <b>Total</b>                    | <b>8,552.01</b> | <b>23,710.91</b> | <b>14,133.69</b> | <b>9,819.74</b> |

**ANNEXURE 22 OTHER INCOME**

(Rs. In Lakhs)

| Particulars                    | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--------------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Interest Income</b>         |  |                                     |                                     |                                     |
| Interest on Fixed Deposits     | -                                      | -                                   | -                                   | 0.15                                |
| Interest on IT Refund          | -                                      | -                                   | -                                   | 0.36                                |
| Interest on others             | 0.64                                   | 2.27                                | 1.58                                | 1.36                                |
| <b>Other Income</b>            |  |                                     |                                     |                                     |
| Creditor Written off           | -                                      | 5.32                                | 3.87                                | -                                   |
| Rounding off                   | 0.00                                   | 0.00                                | 0.00                                | 0.00                                |
| Profit on Sale of Assets       | -                                      | -                                   | 4.07                                | 1.43                                |
| Insurance Surrender Income     | -                                      | -                                   | 73.70                               | -                                   |
| Reversal of Gratuity Provision | -                                      | -                                   | 9.93                                | -                                   |
| Profit on sale of slum sale    | -                                      | 400.80                              | -                                   | -                                   |
| Other Income                   | -                                      | -                                   | -                                   | 0.02                                |
| <b>Total</b>                   | <b>0.64</b>                            | <b>408.39</b>                       | <b>93.16</b>                        | <b>3.32</b>                         |

**ANNEXURE 23 COST OF MATERIAL CONSUMED**

(Rs. In Lakhs)

| Particulars                         | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|-------------------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Raw Material</b>                 |  |                                     |                                     |                                     |
| Opening Stock of Raw Material       | -                                      | 301.52                              | 206.39                              | 202.93                              |
| Add: Purchase of Raw Material       | -                                      | 1,659.80                            | 1,359.16                            | 2,134.48                            |
| Less: Closing Stock of Raw Material | -                                      | -                                   | 301.52                              | 206.39                              |
| <b>Total Material Consumed</b>      | <b>-</b>                               | <b>1,961.32</b>                     | <b>1,264.03</b>                     | <b>2,131.02</b>                     |

**ANNEXURE 24 PURCHASES OF STOCK-IN-TRADE**

(Rs. In Lakhs)

| Particulars        | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Purchase of Fabric | 8,316.55                               | 19,752.26                           | 10,873.72                           | 5,438.90                            |
| <b>Total</b>       | <b>8,316.55</b>                        | <b>19,752.26</b>                    | <b>10,873.72</b>                    | <b>5,438.90</b>                     |

**ANNEXURE 25 CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

Rs. In Lakhs)

| Particulars                               | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|---|--|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Inventories at the end of the year</b> |  |                                     |                                     |                                     |

|   |               |                |               |                |
|---|---------------|----------------|---------------|----------------|
| Stock In Trade                                  | 1,933.79      | 1,796.41       | 895.84        | 926.01         |
| Finished Goods                                  | -             | 267.57         | 232.34        | 330.19         |
| Work-In-Process                                 | -             | -              | 470.20        | 702.96         |
| <b>Inventories at the beginning of the year</b> |               |                |               |                |
| Stock In Trade                                  | 1,796.41      | 895.84         | 926.01        | -              |
| Finished Goods                                  | 267.57        | 232.34         | 330.19        | 425.26         |
| Work-In-Process                                 | -             | 470.20         | 702.96        | 646.14         |
| <b>Net (Increase)/decrease</b>                  | <b>130.19</b> | <b>-465.59</b> | <b>360.77</b> | <b>-887.77</b> |

**ANNEXURE 26 EMPLOYEE BENEFITS EXPENSES**

(Rs. In Lakhs)

| Particulars                                      | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--|--|-------------------------------------|-------------------------------------|-------------------------------------|
| (a) Salaries and Wages                           | 11.10                                  | 1,017.24                            | 667.13                              | 1,013.99                            |
| (b) Contributions to Provident Fund & Other Fund |  |                                     |                                     |                                     |
| Provident fund                                   | -                                      | 20.34                               | 16.46                               | 23.49                               |
| ESIC   | -                                      | 16.28                               | 10.79                               | 21.49                               |
| (c) Gratuity & Leave Encashment expenses         |  | 18.37                               | 1.80                                | 20.14                               |
| (c) Staff welfare expenses                       | -                                      | 9.96                                | 4.86                                | 12.55                               |
| <b>Total</b>                                     | <b>11.10</b>                           | <b>1,082.18</b>                     | <b>701.03</b>                       | <b>1,091.66</b>                     |

**ANNEXURE 27 FINANCE COST**

(Rs. In Lakhs)

| Particulars                         | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|-------------------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| (a) Interest expense: -             |  |                                     |                                     |                                     |
| (i) Borrowings                      | 35.92                                  | 84.58                               | 98.13                               | 111.73                              |
| (ii) on TDS                         | -                                      | 0.00                                | 0.02                                | -                                   |
| (iii) on Professional Tax           | -                                      | -                                   | -                                   | -                                   |
| (iv) on Provident Fund              | -                                      | -                                   | -                                   | -                                   |
| (v) on ESIC                         | -                                      | -                                   | -                                   | -                                   |
| (vi) on Late payment of Other Taxes | -                                      | 0.00                                | 0.19                                | 0.19                                |
| (b) Other borrowing costs           | 0.09                                   | 0.69                                | 1.59                                | 2.99                                |
| <b>Total</b>                        | <b>36.01</b>                           | <b>85.28</b>                        | <b>99.94</b>                        | <b>114.90</b>                       |

**ANNEXURE 28 DEPRECIATION AND AMORTISATION**

(Rs. In Lakhs)

| Particulars      | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Depreciation Exp | 9.68                                   | 120.96                              | 120.59                              | 123.11                              |
| Amortization Exp |  |                                     |                                     |                                     |
| <b>Total</b>     | <b>9.68</b>                            | <b>120.96</b>                       | <b>120.59</b>                       | <b>123.11</b>                       |

**ANNEXURE 29 OTHER EXPENSES**

(Rs. In Lakhs)

| Particulars                   | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|-------------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Manufacturing Expenses</b> |  |                                     |                                     |                                     |
| Cutting & Processing Charges  | -                                      | 137.06                              | 133.77                              | 176.33                              |
| Stores & Consumables          |  | 77.46                               | 37.89                               | 73.41                               |
| Printing & Embrodary Exp.     | -                                      | 27.90                               | 13.01                               | 20.42                               |

|  |              |                 |                 |                 |
|--|--------------|-----------------|-----------------|-----------------|
| Jobwork Expenses                           | -            | 1,183.52        | 670.95          | 848.51          |
| Electricity Expenses                       | -            | 116.48          | 100.44          | 135.05          |
| Freight & Forwarding charges               | -            | 76.56           | 79.57           | 92.73           |
| Loading & Unloading Charges                | -            | 2.19            | 0.03            | 0.81            |
| Exposing Exp.                              |              | 17.78           | 26.31           | 32.30           |
| Testing & Lab Charges                      | 0.20         | 2.70            | 1.73            | 0.38            |
| <b>Selling &amp; Distribution Expenses</b> |              |                 |                 |                 |
| Bill Discount Charges                      | 4.93         | 25.79           | 16.25           | 39.81           |
| Transportation Exp.                        | 4.10         | 21.00           | 12.46           | 8.89            |
| Packing & Forwarding Goods Expenses        | -            | 54.49           | 2.32            | 0.58            |
| Discount on Sales                          | 2.82         | 52.89           | 33.08           | 30.23           |
| Sales Promotion                            | -            | -               | -               | -               |
| <b>Establishment Expenses</b>              |              |                 |                 |                 |
| Advertisement Expenses                     | 0.01         | 1.94            | 0.54            | 2.37            |
| Marketing Agent Charges                    | 0.28         | 12.59           | 1.26            | 16.62           |
| Rates & Taxes                              | -            | 5.46            | 7.72            | 6.99            |
| Repair & Maintenance Exp                   | -            | 104.03          | 19.47           | 32.43           |
| Travelling Exp                             | 0.07         | 0.81            | -               | 4.86            |
| Legal Fees                                 | 0.02         | 0.24            | 1.00            | 0.20            |
| Rent Exp.                                  | 2.88         | 121.56          | 91.85           | 95.89           |
| Insurance Exp                              | 2.29         | 13.30           | 10.76           | 6.68            |
| Auditor Fees                               | 1.50         | 1.50            | 1.50            | 1.50            |
| Printing & Stationery Exp                  | -            | 2.90            | 1.58            | 2.57            |
| Commission Exp.                            | -            | 1.01            | 1.19            | 2.57            |
| Loss on sale of assets                     | 2.00         | 0.71            | -               | -               |
| Professional Fees                          | 4.17         | 2.16            | 8.92            | 5.47            |
| Training Expenses                          | -            | 46.75           | 29.35           | 30.83           |
| GST Credit Written off                     | -            | -               | 0.48            | 4.14            |
| Courier & Postage Charges                  | 0.04         | 2.41            | 2.21            | 8.37            |
| Bad Debt Expense                           | -            | 45.90           | -               | 24.75           |
| Prior Period Expense                       | -            | -               | -               | 33.79           |
| Miscellaneous Expense                      | 1.78         | 12.00           | 10.62           | 9.16            |
| <b>Total</b>                               | <b>27.10</b> | <b>2,171.10</b> | <b>1,316.27</b> | <b>1,748.64</b> |

**ANNEXURE 29.1 PRIOR PERIOD ITEMS**

(Rs. In Lakhs)

| Particulars                              | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Prior Priod Freight & Forwarding charges | -                                      | -                                   | -                                   | 0.65                                |
| Prior Priod Goodwill Amortization Exp    | -                                      | -                                   | -                                   | 33.14                               |
| <b>Total</b>                             | -                                      | -                                   | -                                   | <b>33.79</b>                        |

**Annexure 29.2PAYMENT TO AUDITORS AS**

(Rs. In Lakhs)

| Particulars             | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|-------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Payment to auditors     |  |                                     |                                     |                                     |
| a. Statutory Audit fees | 1.50                                   | 1.50                                | 1.50                                | 1.50                                |
| b. for taxation matters | -                                      | -                                   | -                                   | -                                   |

|                                  |             |             |             |             |
|----------------------------------|-------------|-------------|-------------|-------------|
| c. for company law matters       | -           | -           | -           | -           |
| d. for management services       | -           | -           | -           | -           |
| e. for other services            | -           | -           | -           | -           |
| f. for reimbursement of expenses | -           | -           | -           | -           |
| <b>Total</b>                     | <b>1.50</b> | <b>1.50</b> | <b>1.50</b> | <b>1.50</b> |

**Annexure 30**

(Rs. In Lakhs)

| Particulars                                      | As At 30 <sup>th</sup> September 2022 | As At 31 <sup>st</sup> March 2022 | As At 31 <sup>st</sup> March 2021 | As At 31 <sup>st</sup> March 2020 |
|--|---------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| WDV as per book                                  | 91.29                                 | 113.65                            | 1,020.12                          | 1,131.35                          |
| WDV as per IT                                    | -                                     | -                                 | 739.30                            | 858.87                            |
| Time Difference                                  | 91.29                                 | 113.65                            | 280.83                            | 272.48                            |
| Disallowance u/s 43B                             |                                       | 24.44                             | 3.05                              | 32.28                             |
| Brought forward Unabsorbed Loss & Depreciation   | -                                     | -                                 | (8.85)                            | -                                 |
| <b>Total</b>                                     | <b>91.29</b>                          | <b>89.21</b>                      | <b>275.03</b>                     | <b>240.20</b>                     |
| <b>As per B/S (Liability/(Asset))</b>            | <b>25.40</b>                          | <b>24.82</b>                      | <b>71.51</b>                      | <b>66.82</b>                      |
| <b>Transfer to P &amp; L A/c (Loss/(Profit))</b> | <b>0.58</b>                           | <b>(46.69)</b>                    | <b>4.68</b>                       | <b>(11.28)</b>                    |

**ANNEXURE 31 RECONCILIATION OF RESTATED PROFIT**

(Rs. In Lakhs)

| Adjustments for  | For the year ended 30 <sup>th</sup> September 2022 | For the year ended 31 <sup>st</sup> March 2022 | For the year ended 31 <sup>st</sup> March 2021 | For the year ended 31 <sup>st</sup> March 2020 |
|--|--|--|--|--|
| Net profit/(Loss) after Tax as per Audited Profit & Loss Account | 20.71  | 24.46  | -  | 77.11  |
| <b>Adjustments for:</b>  |  |  |  |  |
| Income Tax Provision   | -4.93  | -20.17   | 0.00   | -16.63   |
| Deferred Tax Liability / Asset Adjustment                        | -3.10  | 40.10  | -3.57  | 18.07  |
| Prior Period Goodwill Amortization Adjustment                    | 0.00   | 0.00   | 0.00   | -36.82   |
| <b>Net Profit/ (Loss) After Tax as Restated</b>                  | <b>12.68</b>                                       | <b>44.39</b>                                   | <b>-6.48</b>                                   | <b>41.73</b>                                   |

**Note:**

**1. Income Tax Provision**

There is difference in taxation as per audited books and restated books as the taxation provision is calculated on restated profits.

**2. Deferred Tax Liability/ Asset Adjustment**

In Audited Financial Statements, there was mistake in calculating Deferred Tax Asset/Liability which is rectified in Restated Financial Statements.

**3. Prior Period Goodwill Amortization Adjustment**

As per Audited Financial statement goodwill generated from purchase of business from F.Y. 2014-15, same shall be written off in Restated financial statement.

**4. To Give Explanatory Notes regarding Adjustments**

Appropriate adjustments have been made in the restated financial statements, wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the company for all the years and the



requirements of the securities and Exchange board of India (Issue of Capital and Disclosure Requirement) Regulations 2015.

Due to changes in accounting policies and other adjustments as stated above, the Company has recalculated the Income-tax provision and MAT Credit Entitlement and Set-off thereof at the rate of normal Tax rate applicable at the end of relevant year and accordingly, their readjusted amounts have been provided in Tax Shelter.

## ANNEXURE 32 EMPLOYEE BENEFITS

### (a) Defined contribution plan

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

| Particulars   | For the year ended 30th September 2022 | For the year ended 31st March 2022 | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|---|--|------------------------------------|------------------------------------|------------------------------------|
| Employer contribution to provident fund & fund & Another Fund | -                                      | 36.62                              | 27.25                              | 44.98                              |

Included in 'Contribution to provident funds' under employee benefits expense (As per Annexure 26)

### (b) Defined benefit plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

### Actuarial assumptions:

| Particulars             | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|-------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Discount rate as at     | -                                      | 5.65% p.a                           | 5.40% p.a                           | 6.45% p.a                           |
| Future salary increases | -                                      | 6.00% p.a                           | 6.00% p.a                           | 6.00% p.a                           |

### Notes:

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

2. Salary escalation rate: The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

### The amounts recognised in the balance sheet and movements in the net defined benefit obligation (DBO) are as follows: (Rs. In Lakhs)

| Change in the present value of obligation                | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|--|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Present value of obligation at the beginning of the year | -                                      | 48.27                               | 58.20                               | 50.12                               |

|   |   |         |              |              |
|---|---|---------|--------------|--------------|
| Current service cost                                      | - | 7.92    | 9.90         | 10.88        |
| Interest cost   | - | 2.33    | 3.56         | 3.41         |
| Benefits paid   | - | (4.60)  | -            | -            |
| Actuarial loss/(gain)                                     | - | (0.32)  | (23.39)      | (6.21)       |
| Liability Transferred in Slump Sale                       | - | (53.59) | -            | -            |
| <b>Present value of obligation at the end of the year</b> | - | -       | <b>48.27</b> | <b>58.20</b> |

| <b>Amount recognised in the statement of profit and loss</b>        | <b>For the year ended 30th September 2022</b> | <b>For the year ended 31 st March 2022</b> | <b>For the year ended 31 st March 2021</b> | <b>For the year ended 31 st March 2020</b> |
|---|---|--|--|--|
| Current service cost  | -   | 7.92                                       | 9.90                                       | 10.88                                      |
| Interest cost   | -   | 2.33                                       | 3.56                                       | 3.41                                       |
| Actuarial loss/(gain)   | -   | (0.32)                                     | (23.39)                                    | (6.21)                                     |
| <b>Total expense recognized in the statement of profit and loss</b> | -   | <b>9.92</b>                                | <b>(9.93)</b>                              | <b>8.08</b>                                |

**ANNEXURE 33 RELATED PARTY TRANSACTION**

**i) Names of related parties and description of relationship with the company**

A) Key managerial personnel and their relatives

- a. Mitesh Adani - Managing Director
- b. Aashaben Adani - Relative of Director

c. Yash Adani – Director

(Rs. In Lakhs)

| Name          | Nature of Transaction | Amount Outstanding as on 30.09.2022 Payable/ (Receivable) | Amount of Transaction Debited Till 30-09-2022 | Amount of Transaction Credited Till 30-09-2022) | Amount Outstanding as on 31.03.22 Payable/ (Receivable) | Amount of Transaction Debited in 2021-22) | Amount of Transaction Credited in 2021-22) | Amount Outstanding as on 31.03.21 Payable/ (Receivable) | Amount of Transaction Debited in 2020-21 | Amount of Transaction Credited in 2020-21 | Amount Outstanding as on 31.03.20 Payable/ (Receivable) | Amount of Transaction Debited in 2019-20 | Amount of Transaction Credited in 2019-20 | Amount Outstanding as on 31.03.19 Payable/ (Receivable) |
|---------------|-----------------------|---|---|---|---|---|--|---|--|---|---|--|---|---|
| Mitesh Adani  | Unsecured loan        | 381.32  | 10.20   | -   | 391.52  | 9.62                                      | -  | 401.14  | 33.69                                    | -   | 434.82  | 903.64                                   | 124.75                                    | 1,213.72  |
|               | Director Remuneration | 31.20   |   |   | 31.20   | 1.80                                      | 12.00                                      | 21.00   | 1.80                                     | 12.00                                     | 10.80   | 1.20                                     | 12.00                                     | -   |
| Ashaben Adani | Unsecured loan        | -   | -   | -   | -   | 0.16                                      | -  | 0.16  | -  | -   | 0.16  | 8.85                                     | -   | 9.01  |
|               | Director Remuneration | -   |   |   | -   | 7.87                                      | -  | 7.87  | 8.61                                     | 8.03                                      | 8.45  | -  | 8.45                                      | -   |
| Yash Adani    | Unsecured loan        | -   | -   | -   | -   | 4.00                                      | 4.00                                       |   | -  | -   |   |  |   |   |

**ANNEXURE 34 SUMMARY OF ACCOUNTING RATIOS**
**(Rs. In Lakhs)**

| Ratios  | For the year ended 30th September 2022 | For the year ended 31st March 2022 | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|---|--|------------------------------------|------------------------------------|------------------------------------|
| Restated PAT as per P& L Account  | 12.68                                  | 44.39                              | 6.48                               | 41.73                              |
| Weighted Average Number of Equity Shares at the end of the Year/Period (Pre-Bonus Issue)  | 23,250                                 | 23,250                             | 3,250                              | 11,960                             |
| Weighted Average Number of Equity Shares at the end of the Year/Period (Post Bonus Issue) | 23,48,250                              | 23,48,250                          | 23,48,250                          | 23,36,960                          |
| No. of equity shares at the end of the year/period (Pre-Bonus Issue)                      | 23,250                                 | 23,250                             | 23,250                             | 23,250                             |
| No. of equity shares at the end of the year/period (Post Bonus Issue)                     | 23,48,250                              | 23,48,250                          | 23,48,250                          | 23,48,250                          |
| Net Worth   | 1,175.65                               | 1,162.97                           | 1,118.58                           | 1,125.06                           |
| <b>Earnings Per Share</b>   |  |                                    |                                    |                                    |
| Basic & Diluted EPS   | 54.54                                  | 190.92                             | (27.87)                            | 348.89                             |
| Adjusted Basic & Diluted EPS  | 0.54                                   | 1.89                               | (0.28)                             | 1.79                               |
| <b>Return on Net Worth (%)</b>  | 1.08%                                  | 3.82%                              | -0.58%                             | 3.71%                              |
| <b>Net Asset Value Per Share (Rs) (Pre-Bonus Issue)</b>                                   | 5,056.57                               | 5,002.03                           | 4,811.11                           | 4,838.98                           |
| <b>Net Asset Value Per Share (Rs) (Post Bonus Issue)</b>                                  | 50.07                                  | 49.53                              | 47.63                              | 47.91                              |
| Nominal Value per Equity share (Rs.)  | 10.00                                  | 10.00                              | 10.00                              | 10.00                              |

**Footnote**

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (Rs.)

$$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year / period}}$$

Return on Net Worth (%)

$$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$$

Net Asset Value per equity share (Rs.)

$$\frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year / period}}$$

2. The figures for the period ended September 30, 2022 are not annualised.

3. Bonus Issue of shares are made on 02.11.2022 the effect of which has been incorporated in the restatements while calculating the above accounting Ratios.

**ANNEXURE 35 STATEMENT OF TAX SHELTERS**
**(Rs. In Lakhs)**

| Particulars                        | For the year ended 30th September 2022 | For the year ended 31st March 2022 | For the year ended 31st March 2021 | For the year ended 31st March 2020 |
|------------------------------------|--|------------------------------------|------------------------------------|------------------------------------|
| Profit before tax as per books (A) | 22.02                                  | 21.18                              | -1.79                              | 62.59                              |
| Normal Corporate Tax Rate (%)      | 26.00%                                 | 27.82%                             | 26.00%                             | 27.82%                             |

|   |              |               |               |               |
|---|--------------|---------------|---------------|---------------|
| Normal Corporate Tax Rate (Other Source) (%)                          | 26.00%       | 27.82%        | 26.00%        | 27.82%        |
| Long Term Capital Gain Rates (Including surcharge and cess)           | 22.26%       | 22.26%        | 22.26%        | 22.26%        |
| MAT Rates   | 15.60%       | 15.60%        | 15.60%        | 15.60%        |
| Tax at notional rate of profits                                       | 5.73         | 5.51          | -             | 16.27         |
| <b>Adjustments:</b>   |              |               |               |               |
| <b>Permanent Differences(B)</b>                                       |              |               |               |               |
| Expenses disallowed/Income disallowed under Income Tax Act, 1961      |              |               |               |               |
| Prior Period Items  | -            | -             | -             | 33.79         |
| Loss/(Profit) on sale on assets                                       | 2.00         | 0.71          | (4.07)        | (1.43)        |
| Provision for Gratuity  |              | -             | -             | 8.08          |
| Unpaid ESIC/PF  | -            | 0.26          | 4.32          | 2.51          |
| TDS Penalty   | -            | 0.00          | 0.02          | 0.14          |
| <b>Total Permanent Differences(B)</b>                                 | <b>2.00</b>  | <b>0.98</b>   | <b>0.27</b>   | <b>43.09</b>  |
| Income from Other Sources   | 0.64         | 2.27          | 75.28         | 1.87          |
| Income from Capital Gain  | -            | 400.80        | -             | -             |
| <b>Total Income considered separately (C)</b>                         | <b>0.64</b>  | <b>403.07</b> | <b>75.28</b>  | <b>1.87</b>   |
| <b>Timing Differences (D)</b>   |              |               |               |               |
| Difference between tax depreciation and book depreciation             | 9.68         | 25.33         | (4.27)        | (22.42)       |
| Depreciation as per P & L A/c   | 9.68         | 120.96        | 120.59        | 123.11        |
| Depreciation as per Income tax  | -            | 95.63         | 124.86        | 145.53        |
| Disallowance u/s 43B  | -            | 24.44         | (3.05)        | 32.28         |
| <b>Total Timing Differences (D)</b>                                   | <b>9.68</b>  | <b>49.77</b>  | <b>(7.32)</b> | <b>9.86</b>   |
| <b>Net Adjustments E = (B+D)</b>                                      | <b>11.68</b> | <b>50.75</b>  | <b>(7.05)</b> | <b>52.95</b>  |
| <b>Tax expense / (saving) thereon</b>                                 | <b>3.04</b>  | <b>13.19</b>  | <b>(1.83)</b> | <b>13.77</b>  |
| Profit On Sale of Slum Sale   | -            | 443.23        | -             | -             |
| <b>Long Term Capital Gain (F)</b>                                     | <b>-</b>     | <b>443.23</b> | <b>-</b>      | <b>-</b>      |
| Interest of Fixed Deposit   | -            | -             | -             | 0.15          |
| Interest on IT  | -            | -             | -             | 0.36          |
| Insurance Surrender Income  | -            | -             | 73.70         | -             |
| Interest on others  | 0.64         | 2.27          | 1.58          | 1.36          |
| <b>Income from Other Sources (G)</b>                                  | <b>0.64</b>  | <b>2.27</b>   | <b>75.28</b>  | <b>1.87</b>   |
| <b>Addition u/s 28 to 44DA (Deduction claimed in Normal business)</b> |              |               |               |               |
| <b>Deduction u/s VI-A</b>   | <b>-</b>     |               |               |               |
| <b>Loss of P.Y. Brought Forward &amp; Adjusted(H)</b>                 | <b>-</b>     | <b>8.85</b>   | <b>-</b>      | <b>-</b>      |
| Brought Forward Business Loss   |              | 8.85          | -             | -             |
| Brought Forward Capital Gain loss                                     |              |               | -             | -             |
| Brought Forward Depreciation  |              |               | -             | -             |
| Brought Forward MAT Credit  |              |               | -             | -             |
| <b>Taxable Income/(Loss) (A+E+F+G)</b>                                | <b>33.70</b> | <b>105.51</b> | <b>-</b>      | <b>115.53</b> |
| <b>Taxable Income/(Loss) as per MAT</b>                               | <b>22.02</b> | <b>21.18</b>  | <b>-</b>      | <b>62.59</b>  |
| <b>Disallowance as per MAT</b>  | <b>-</b>     | <b>-</b>      | <b>1.79</b>   | <b>-</b>      |
| <b>Tax as per MAT</b>   | <b>3.54</b>  | <b>3.30</b>   | <b>-</b>      | <b>9.76</b>   |
| <b>Basic Tax</b>  | <b>3.30</b>  | <b>3.18</b>   | <b>-</b>      | <b>9.39</b>   |
| <b>Surcharge</b>  | <b>0.17</b>  | <b>-</b>      | <b>-</b>      | <b>-</b>      |

|                                 |        |        |   |        |
|---------------------------------|--------|--------|---|--------|
| Edu Cess                        | 0.07   | 0.13   | - | 0.38   |
| SHEC                            | -      | -      | - | -      |
| Tax as per Normal Calculation   | 8.76   | 23.48  | - | 32.14  |
| Basic Tax                       | 8.43   | 21.10  | - | 28.88  |
| Surcharge                       | -      | 1.48   | - | 2.02   |
| Edu cess                        | 0.34   | 0.90   | - | 1.24   |
| MAT Credit Used                 | -      |        |   |        |
| Income Tax as returned/computed | 8.76   | 23.48  | - | 32.14  |
| Interest Payable                | -      | -      | - | -      |
| Tax paid as per normal or MAT   | Normal | Normal | - | Normal |

**ANNEXURE 36 CAPITALISATION STATEMENT AS AT 30TH SEPTEMBER, 2022 (Rs. In Lakhs)**

| Particulars                                 | Pre-Issue       | Post Issue     |
|---|-----------------|----------------|
| <b>Borrowings</b>                           |                 |                |
| Short term debt (A)                         | 532.93          | 532.93         |
| Long Term Debt (B)                          | 27.40           | 27.40          |
| <b>Total debts (C)</b>                      | <b>560.34</b>   | <b>560.34</b>  |
| <b>Shareholders' funds</b>                  |                 |                |
| Equity share capital                        | 2.33            | 43.56          |
| Reserve and surplus - as restated           | 1,173.33        | 1813.07        |
| <b>Total shareholders' funds</b>            | <b>1,175.65</b> | <b>1856.63</b> |
| <b>Long term debt / shareholders' funds</b> | <b>0.02</b>     | <b>0.01</b>    |
| <b>Total debt / shareholders' funds</b>     | <b>0.48</b>     | <b>0.30</b>    |

**Notes:**

- The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at September 30, 2022.
- Long term Debts includes current maturities of long-term debt.
- For post issue Capitalization statement of September, 2022 has been done considering the allotment of shares in the IPO & Bonus issue as under:
  - Allotment dtd. 21-11-2022 of 23,250 @ 100 and
  - Bonus issue of 23,25,000/- shares
  - Issue of shares through Ipo of 15,66,000/- @ 51/-.

**ANNEXURE 37 ANALYTICAL RATIOS:**

| Ratio                            | Numerator           | Denominator                   | As at 30th September, 2022 | As at 31st March, 2022 | % of change in Ratio |
|----------------------------------|---------------------|-------------------------------|----------------------------|------------------------|----------------------|
| Current Ratio                    | Current Assets      | Current Liabilities           | 1.13                       | 1.12                   | 1%                   |
| Debt Equity Ratio                | Debt capital        | Shareholder's Equity          | 0.47                       | 0.95                   | -50%                 |
| Debt Service Coverage Ratio      | EBITDA-CAPEX        | Debt Service (Int.+Principal) | 5.48                       | 37.15                  | -85%                 |
| Return on Equity Ratio           | Profit for the year | Average Shareholder's Equity  | 0.01                       | 0.04                   | -72%                 |
| Inventory Turnover Ratio         | Sales               | Average Inventory             | 4.42                       | 11.78                  | -62%                 |
| Trade Receivables turnover ratio | Net Sales           | Closing Trade Receivable      | 1.17                       | 3.44                   | -66%                 |
| Trade payables turnover ratio    | Total Purchases     | Closing Trade Payables        | 1.02                       | 2.66                   | -62%                 |
| Net capital turnover ratio       | Sales               | Working capital (CA-CL)       | 7.45                       | 23.92                  | -69%                 |
| Net profit ratio                 | Net Profit          | Sales                         | 0.00                       | 0.00                   | -19%                 |

|                            |                                  |                  |      |      |      |
|----------------------------|----------------------------------|------------------|------|------|------|
| Return on Capital employed | Earnings before interest and tax | Capital Employed | 0.04 | 0.10 | -59% |
|----------------------------|----------------------------------|------------------|------|------|------|

**Note:**

Reasons for variance of more than 25% in above ratios cannot be explained as period of 6 months i.e FY 22-23 (H1) cannot be compared with period of one year i.e FY 21-22

| Ratio                            | Numerator                        | Denominator                   | As at 31st March, 2022 | As at 31st March, 2021 | % change in Ratio 2021-22 to 2020-21 | Reason for Variance                    |
|----------------------------------|----------------------------------|-------------------------------|------------------------|------------------------|--------------------------------------|--|
| Current Ratio                    | Current Assets                   | Current Liabilities           | 1.120                  | 1.022                  | 10%                                  | -                                      |
| Debt Equity Ratio                | Debt capital                     | Shareholder's Equity          | 0.948                  | 1.200                  | -21%                                 | -                                      |
| Debt Service Coverage Ratio      | EBITDA-CAPEX                     | Debt Service (Int.+Principal) | 37.153                 | 14.107                 | 163%                                 | Due to Slump Sale profit in year 2022. |
| Return on Equity Ratio           | Profit for the year              | Average Shareholder's Equity  | 0.038                  | - 0.006                | 759%                                 | Due to Slump Sale profit in year 2022. |
| Inventory Turnover Ratio         | Sales                            | Average Inventory             | 11.783                 | 7.706                  | 53%                                  | Increase in Sale during the Year 2022. |
| Trade Receivables turnover ratio | Net Sales                        | Closing Trade Receivable      | 3.439                  | 2.485                  | 38%                                  | Increase in Sale during the Year 2022. |
| Trade payables turnover ratio    | Total Purchases                  | Closing Trade Payables        | 2.662                  | 1.655                  | 61%                                  | Due to Increase in Purchase.           |
| Net capital turnover ratio       | Sales                            | Working capital (CA-CL)       | 23.921                 | 82.075                 | -71%                                 | Due to Slump Sale accrued in March 22. |
| Net profit ratio                 | Net Profit                       | Sales                         | 0.002                  | - 0.000                | 512%                                 | Increase in Sale during the Year 2022. |
| Return on Capital employed       | Earnings before interest and tax | Capital Employed              | 0.099                  | 0.073                  | 35%                                  | Due to Slump Sale profit in year 2022. |

| Ratio             | Numerator      | Denominator          | As at 31st March, 2021 | As at 31st March, 2020 | % of change in Ratio for 2020-21 to 2019-20 | Reason for Variance |
|-------------------|----------------|----------------------|------------------------|------------------------|---|---------------------|
| Current Ratio     | Current Assets | Current Liabilities  | 1.022                  | 0.996                  | 3%  | -                   |
| Debt Equity Ratio | Debt capital   | Shareholder's Equity | 1.200                  | 1.129                  | 6%  | -                   |

|                                  |                                  |                               |        |          |       |                                     |
|----------------------------------|----------------------------------|-------------------------------|--------|----------|-------|-------------------------------------|
| Debt Service Coverage Ratio      | EBITDA-CAPEX                     | Debt Service (Int.+Principal) | 14.107 | 55.511   | -75%  | Due to Covid 19 Effect on business. |
| Return on Equity Ratio           | Profit for the year              | Average Shareholder's Equity  | -0.006 | 0.046    | -112% | Due to Covid 19 Effect on business. |
| Inventory Turnover Ratio         | Sales                            | Average Inventory             | 7.706  | 4.535    | 70%   | due to high cost of inventories.    |
| Trade Receivables turnover ratio | Net Sales                        | Closing Trade Receivable      | 2.485  | 9.986    | -75%  | Due to high Credit period given.    |
| Trade payables turnover ratio    | Total Purchases                  | Closing Trade Payables        | 1.655  | 2.529    | -35%  | Due to high Credit period availed.  |
| Net capital turnover ratio       | Sales                            | Working capital (CA-CL)       | 82.075 | -750.850 | -111% | Due to Covid 19 Effect on business. |
| Net profit ratio                 | Net Profit                       | Sales                         | -0.000 | 0.005    | -108% | Due to Covid 19 Effect on business. |
| Return on Capital employed       | Earnings before interest and tax | Capital Employed              | 0.073  | 0.140    | -48%  | Due to Covid 19 Effect on business. |

38. The company has entered into Business Transfer Agreement as on 31st March 2022 with Globe Textile (India) Ltd a Limited Company registered under Companies Act, 1956 to sell the Business undertaking meaning manufacturing division of Viva Tradecom Ltd as on cut off Date including all the immovable properties which are held by the Viva Tradecom Ltd (Erstwhile Viva Tradecom Private Limited) described in clause 1.1.6.1 of the above agreement referred in Schedule "B", all movable assets referred to as "Movable Assets" referred to in Schedule "C" of the above agreement and the Employees of the Seller's business undertaking as described in Schedule "D" of the above referred agreement. However, such sale/transfer is subject to provision of section 281(1) of the Income-Tax Act 1961, which provides that any assessee who creates a charge on, or parts with the possession (by way of sale, mortgage, gift, exchange or any other mode of transfer whatsoever) of any of his assets in favor of any other person, such charge or transfer shall be void as against any claim in respect of tax or any other sum payable by the assessee as a result of the Completion of the said proceeding or otherwise. It is also provided that such charge or transfer shall not be void if it is made with the permission of the Assessing Officer. However, the Company has not asked for permission of the Assessing officer as required.
39. The Principal Commissioner of Income Tax -4 Ahmedabad has invoked provision of section 263(1) of the Income Tax Act 1961 for Assessment Year 2015-2016 on the premises that the order dated 29/12/2017 passed by the Deputy Commissioner of Income Tax circle-4(1)(2) Ahmedabad, is erroneous as well as prejudicial to the interest of the Revenue and passed he order u/s 263(1) directing the assessing officer vide his order dated 20/02/2020 to make fresh assessment denovo for Assessment year 2015-2016 as amount disputed being of Rs. 12,53,07,750/- effect on same shall be given in annexure 20 contingent liabilities and commitments. However, the company has challenged the order of principal commissioner of Income Tax -4, Ahmedabad by preferring appeal to Income Tax Appellate Tribunal. However, the appeal is pending for hearing before the tribunal. Pending hearing of appeal filed by the company before Income-Tax Appellate Tribunal against the order of The Principal Commissioner of Income-Tax -4. Ahmedabad, the Jurisdictional Assessing Officer has passed the order u/s 143 (3) r.w.s 263 of the Income-Tax Act 1961 as per direction of the Principal Commissioner-4, Ahmedabad for Assessment Year 2015-2016 by impugned set aside



Assessment Order u/s 143(3) r.w.s 263 & 144 B of the Act, 1961 by making addition of Rs 11,62,01,156/- to the return income i.e Loss of Rs 89,92,807/- and raised demand of Rs 10,72,08,350/-.However company has filed appeal before Commissioner(Appeals) National Centre, Delhi Against the order passed by Assessing Officer u/s 143(3) & 144B for A.Y. 2015-16 & hearing of which is pending. Since appeal before Income-Tax Appellate Tribunal u/s 263 and appeal before Commissioner National Faceless, Appeal Centre are pending and Company hopes to succeed as legally advised hence no provision is made in the accounts and demand is still pending.

40. The previous year's figures have been reworked, regrouped, and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current annual financial statements and are to be read in relation to the amounts and other disclosures relating to the current financial year.
41. Since the company has taken Unsecured loan which Is given by director of company but for that company has not any agreement in writing.
42. The Company has not revalued its Property, Plant and Equipment for the restated period.
43. There has been no Capital work in progress for the restated period.
44. There is no Intangible assets under development for the restated period.
45. Credit and Debit balances of unsecured loans, Trade Payables, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.
46. The Company does not have any charges or satisfaction which is yet to be registered with ROC or beyond the statutory period.
47. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
48. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
49. No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
50. The company has not been declared as willful defaulter by any bank or financial institution or government or government authority.
51. The company does not have transaction with the struck off under section 248 of companies act, 2013 or section 560 of Companies act 1956.
52. The company is in compliance with the number of layers prescribed under clause (87) of section 2 of company's act read with companies (restriction on number of layers) Rules, 2017.
53. **Corporate Social Responsibility (CSR)**

The section 135 (Corporate social responsibility) of companies acts, 2013 is not applicable to the company.

54. **Notes forming part of accounts in relation to Micro and small enterprise**

Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act,2013 with regard to the payments made/due to Micro and small Enterprises are given below:

(Rs. In Lakhs)

| Sr. No | Particulars | Period Ended on 30 <sup>st</sup> Sept,2022 |          | Year Ended on 31 <sup>st</sup> March 2022 |          | Year Ended on 31 <sup>st</sup> March 2021 |          | Year Ended on 31 <sup>st</sup> March 2020 |          |
|--------|-------------|--|----------|---|----------|---|----------|---|----------|
|        |             | Principal                                  | Interest | Principal                                 | Interest | Principal                                 | Interest | Principal                                 | Interest |
|        |             |  |          |   |          |   |          |   |          |

|     |  |     |     |     |     |       |     |     |     |
|-----|--|-----|-----|-----|-----|-------|-----|-----|-----|
| I   | Amount due as at the date of Balance sheet   | Nil | Nil | Nil | Nil | 11.77 | Nil | Nil | Nil |
| ii  | Amount paid beyond the appointed date during the year  | Nil | Nil | Nil | Nil | Nil   | Nil | Nil | Nil |
| iii | Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date | Nil | Nil | Nil | Nil | Nil   | Nil | Nil | Nil |
| Iv  | The amount of interest accrued and remaining unpaid as at the date of Balance sheet  | Nil | Nil | Nil | Nil | Nil   | Nil | Nil | Nil |

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.

**52. Title deeds of immovable Property**

Title deeds of immovable property has not been held in the name of promoter, director, or relative of promoter/ director or employee of promoters / director of the company, hence same are held in the name of the company.

**53. Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties:**

No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

**54. Shares Held by Promoters at the End of the Year**

(Rs. In Lakhs)

| Sr. No. | Promoter Name   | No. Of Shares as on 30.09.2022 | % Of Total Shares | No. Of Shares 2021-22 | % Of Total Shares | % Change | No. Of Shares 2020-21 | % Of Total Shares | No. Of Shares 2019-20 | % Of Total Shares |
|---------|-----------------|--------------------------------|-------------------|-----------------------|-------------------|----------|-----------------------|-------------------|-----------------------|-------------------|
| 1       | Mitesh J. Adani | 22,715                         | 97.70%            | 22,715                | 97.70%            | -        | 22,715                | 97.70%            | 22,715                | 97.70%            |
| 2       | Asha M. Adani   | -                              | -                 | -                     | -                 | -2.30%   | 535                   | 2.30%             | 535                   | 2.30%             |
| 3       | Yash M. Adani   | 535                            | 2.30%             | 535                   | 2.30%             | 2.30%    | -                     | -                 | -                     | -                 |

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period September 30, 2022 along with financial year ended on March 31, 2022, March 31, 2021 and March 31, 2020. 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 17 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 Vivaa Tradecom Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the period September 30, 2022 along with Financial Years ended on March 31, 2022, March 31, 2021 and March 31, 2020 included in this Draft Prospectus beginning on page 99 of this Draft Prospectus.

### OVERVIEW

The Company is engaged in the manufacturing as well as trading of Cloths and Garments. We were selling readymade garments to various reputed clients on Pan India basis. Lifestyle International Pvt. Ltd., Aditya Birla Fashion and Retail Ltd., Lajja Polyfab Pvt. Ltd., Nandan Denim Limited, Bajaj Impex, Reliance Retailes Limited etc were the some of our reputed clients. Denim jeans garments and denim cloths was one of our most traded segments.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

After the date of last financial period i.e., September 30, 2022, there is no any significant development occurred in the Company.

### KEY FACTORS AFFECTING THE RESULTS OF OPERATION:

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

1. Changes in Laws and Regulations that apply to our Industry.
2. Changes in Fiscal, Economic or Political conditions in India
3. 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
7. Reduction of the sub contract from the big contracting Company.

### OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, "Annexure 4" beginning under Chapter titled "Restated Financial Information" beginning on page 99 of the Draft Prospectus.

### Financial performance of the stub period for the period ended on September 30, 2022

(₹ in Lacs)

| Income from continuing operations | Amount         | %             |
|-----------------------------------|----------------|---------------|
| <b>Revenue from operations</b>    |                |               |
| Sale of Products                  | 8552.00        | 99.99         |
| Other Income                      | 0.637          | 0.01          |
| <b>Total Revenue</b>              | <b>8552.65</b> | <b>100.00</b> |
| <b>Expenses</b>                   |                |               |
| Cost of Material Consumed         | 0              | 0             |

|   |                |              |
|---|----------------|--------------|
| Purchases of Stock-In-Trade                                     | 8316.55        | 97.25        |
| Changes in inventories of Stock-in-Trade                        | 130.19         | 1.52         |
| Employee benefits expense                                       | 11.09          | 0.13         |
| Finance costs   | 36.013         | 0.42         |
| Depreciation and amortization expenses                          | 9.67           | 0.11         |
| Other expenses  | 27.09          | 0.32         |
| <b>Total Expenses</b>   | <b>8530.62</b> | <b>99.74</b> |
| <b>Restated profit before tax from continuing operations</b>    | <b>22.01</b>   | <b>0.26</b>  |
| <b>Exceptional Item/ Extraordinary Item</b>                     | <b>0.00</b>    |              |
| <b>Profit before Tax</b>  | <b>22.01</b>   |              |
| <b>Tax expense/(income)</b>                                     |                |              |
| Current tax   | 8.76           |              |
| Deferred tax charge/(credit)                                    | 0.57           |              |
| <b>Total tax expense</b>  | <b>9.34</b>    |              |
| <b>Restated profit after tax from continuing operations (A)</b> | <b>12.67</b>   | <b>0.15</b>  |

### Income from Operations

The Total income from the operation for the stub period ended on September 30, 2022 was ₹8552.00 Lacs consist of 99.99 % of Sale of Product income only.

### Other Income

The other income is ₹0.637 Lakhs consist of 0.01% of the Total Income, which is from the Commission Income of our Company.

### Total Expenditure

The total expenditure for stub period ended on September 30, 2022 was ₹8530.62 lacs which is 99.74 % of the total revenue for the stub period.

### Profit after Tax

The profit after Tax for the stub period was ₹12.67 lacs representing to 0.15 % of the total revenue.

### RESULTS OF OUR OPERATION

(₹ in Lacs)

| Particulars                              | For the year ended on |                  |                 |
|--|-----------------------|------------------|-----------------|
|  | 31.03.2022            | 31.03.2021       | 31.03.2020      |
| <b>Income from continuing operations</b> |                       |                  |                 |
| <b>Sale of Products</b>                  |                       |                  |                 |
| <b>Manufactured Goods</b>                | <b>8056.79</b>        | <b>5637.29</b>   | <b>6,375.75</b> |
| % to Sale of Products                    | 33.98                 | 39.89            | 70.36           |
| <b>Traded Goods</b>                      | <b>15654.12</b>       | <b>8493.97</b>   | <b>2,685.29</b> |
| % to Sale of Products                    | 66.02                 | 60.11            | 29.64           |
| <b>Sale of Products</b>                  | <b>23710.91</b>       | <b>14131.25</b>  | <b>9,061.04</b> |
| % To total revenue                       | 97.49                 | 96.52            | 92.27           |
| <b>Sale of Services</b>                  | <b>609.39</b>         | <b>507.70</b>    | <b>758.50</b>   |
| % to total revenue                       | 2.51                  | 3.47             | 7.72            |
| <b>Other Operating Revenues</b>          | <b>0.00</b>           | <b>2.44</b>      | <b>0.19</b>     |
| % to total revenue                       | 0.00                  | 0.02             | 0.00            |
| <b>Total Revenue</b>                     | <b>24320.31</b>       | <b>14641.4</b>   | <b>9,819.74</b> |
| <b>% Of growth</b>                       | <b>66.11</b>          | <b>49.10</b>     |                 |
| Other Income                             | 408.38                | 93.16            | 3.32            |
| <b>Total Income</b>                      | <b>24,728.69</b>      | <b>14,734.56</b> | <b>9,823.06</b> |

|   |                  |                  |                 |
|---|------------------|------------------|-----------------|
|   | 67.83            | 50.00            |                 |
| <b>Expenses</b>   |                  |                  |                 |
| <b>Cost of Material Consumed</b>                                | <b>1,961.32</b>  | <b>1,264.03</b>  | <b>2,131.02</b> |
| % of Goods Manufactured   | 24.34            | 22.42            | 33.42           |
| <b>Purchases of Stock-In-Trade</b>                              | <b>19286.67</b>  | <b>11,234.49</b> | <b>4,551.14</b> |
| % of Goods Manufactured   | 77.99            | 76.25            | 46.33           |
| <b>Employee benefit expenses</b>                                | <b>1082.18</b>   | <b>701.03</b>    | <b>1,091.66</b> |
| % Increase/(Decrease)   | 54.37            | (35.78)          |                 |
| <b>Finance costs</b>  | <b>85.28</b>     | <b>99.94</b>     | <b>114.90</b>   |
| % Increase/(Decrease)   | (14.67)          | (13.02)          |                 |
| <b>Depreciation and amortisation expenses</b>                   | <b>120.96</b>    | <b>120.59</b>    | <b>123.11</b>   |
| % Increase/(Decrease)   | 0.3              | 2.0              |                 |
| <b>Other Expenses</b>   | <b>2171.1</b>    | <b>1316.27</b>   | <b>1748.64</b>  |
| % Increase/(Decrease)   | 64.94            | (24.73)          |                 |
| <b>Total Expenses</b>   | <b>24,707.52</b> | <b>14,736.36</b> | <b>9,760.47</b> |
| % to total revenue  | 99.91            | 100.01           | 99.36           |
| <b>EBDITA</b>   | <b>250.63</b>    | <b>214.05</b>    | <b>279.74</b>   |
| <b>% to total revenue</b>                                       | <b>1.01</b>      | <b>1.45</b>      | <b>2.85</b>     |
| <b>Restated profit before tax from continuing operations</b>    | <b>21.18</b>     | <b>(1.79)</b>    | <b>62.59</b>    |
| <b>Exceptional Item</b>   |                  |                  |                 |
| Total tax expense   | 23.48            | -                | 32.14           |
| Deferred tax  | (46.69)          | 4.68             | (11.28)         |
| <b>Restated profit after tax from continuing operations (A)</b> | <b>44.39</b>     | <b>(6.48)</b>    | <b>41.73</b>    |
| <b>% to total revenue</b>                                       | <b>0.18</b>      | <b>(0.04)</b>    | <b>0.42</b>     |

#### COMPARISON OF F.Y. 2022 WITH F.Y. 2021:

##### **Revenue from operations**

Our Company is engaged in the manufacturing as well as trading of Cloths and Garments. The total income from operations for the F.Y. 2022 was 24320.31 Lacs as compared to 14641.4 Lacs during the F.Y. 2021 showing increase of 66.11 %. In F.Y 2022 The manufacturing sale of goods was of Rs. 8056.79 (33.98 %) and trading sale of goods Rs. 15654.12 (66.02%) while the manufacturing sale of goods was of Rs. 5637.29 (39.89 %) and trading sale of goods Rs. 8493.96 (60.11%) in F.Y 2021.

##### **Other Income**

The other income for FY 2022 was 408.386 lacs as against ₹93.16 lacs in FY 2021. The other income increased in F.Y 2022 compared to F.Y 2021 on account of profit on slum sale amounting Rs. 400.80 lacs.

##### Expenditure:

##### **Cost of Material Consumed**

The Cost of Material Consumed for F.Y. 2022 was ₹ 1,961.32 Lacs which was 24.34 % of the total Manufactured Goods. In F.Y. 2021 the material cost was ₹1,264.03 Lacs which was 22.42 % of Manufactured Goods. The material cost was high in F.Y. 2022 compared to F.Y. 2021 on account of change of product mix.

##### **Purchases of Stock-In-Trade:**

The purchases of Stock-In-Trade for F.Y. 2022 was ₹19286.67 Lacs which was 77.99 % of the total Revenue. In F.Y. 2021 the purchases of Stock-In-Trade was ₹ 11,234.49 Lacs which was 76.25 % of total Revenue.

##### **Employee Benefits Expenses:**

The Employee expenses for F.Y. 2022 was ₹1082.18 Lacs against the expenses of ₹701.03 Lacs in F.Y. 2021 showing increase of 54.37 %. The staff which was retrenched in F.Y 2021 was once again recruited by the company hence the cost has increased.

**Finance Cost:**

The Finance Cost for the F.Y. 2022 was ₹85.28 Lacs against the cost of ₹99.94Lacs in the F.Y. 2021 showing decrease of 14.67%. The cost has been decreased on account on reduction of loan amount.

**Depreciation and Amortisation Expenses:**

The Depreciation for F.Y. 2022 was ₹120.96 Lacs as compared to ₹120.59 Lacs for F.Y. 2021. The depreciation was marginally increased in F.Y. 2022 as compared to F.Y. 2021.

**Other Expenses**

Other Expenses For F.Y 2022 Rs. 2171.1 lacs as compared to ₹1316.27 Lacs for F.Y. 2021, showing increase of 64.94%. The increases in other expenses in F.Y 2022 was on account of Jobwork Expenses of Rs. 1183.51 Lacs in F.Y 2022 as compared to Rs. 670.95 in F.Y 2021. In F.Y 2022 bad debts of Rs. 45.90 Lacs was written off which was Nil in F.Y 2021.

**Profit after Tax**

PAT was Rs. 44.39 Lacs in F.Y 2022 as against loss of Rs. ₹ 6.48 Lacs in for the F.Y. 2021. The PAT was 0.18 % of total revenue in F.Y. 2022 compared to (0.04) % of total revenue in F.Y. 2021.

**COMPARISON OF F.Y. 2021 WITH F.Y. 2020:**

**Income from Operations**

Our Company is engaged in the manufacturing as well as trading of Cloths and Garments. The total income from operations for the F.Y. 2021 was 14641.4 Lacs as compared to 9819.74 Lacs during the F.Y. 2020 showing increase of 49.10 %. In F.Y 2021 the manufacturing sale of goods was of Rs. 5637.29 (39.89 %) and trading sale of goods Rs. 8493.96 (60.11%) while the manufacturing sale of goods was of Rs. 6375.75 (70.36 %) and trading sale of goods Rs. 2685.28 (29.64%) in F.Y 2020

**Expenditure:**

**Cost of Material Consumed:**

The Cost of Material Consumed for F.Y. 2021 was ₹ 1264.03 Lacs which was 22.42 % of the total Manufactured Goods. In F.Y. 2020 the material cost was ₹ 2131.02 Lacs which was 33.42 % of Manufactured Goods. The material cost was reduced in F.Y. 2021 compared to F.Y. 2020 on account of change of product mix.

**Purchases of Stock-In-Trade:**

The Purchases of Stock-In-Trade for F.Y. 2021 was ₹10873.72 Lacs which was 73.80 % of the total Revenue. In F.Y. 2020 the Purchases of Stock-In-Trade was ₹ 5438.90 Lacs which was 55.37 % of total Revenue.

**Employee Benefits Expenses:**

The Employee expenses for F.Y. 2021 was ₹701.03 Lacs against the expenses of ₹1091.66 Lacs in F.Y. 2020 showing decrease of 35.78%. The staff was retrenched in F.Y 2021 on account of Covid-19.

**Finance Cost:**

The Finance Cost for the F.Y. 2021 was ₹99.94 Lacs against the cost of ₹114.90 Lacs in the F.Y. 2020 showing decrease of 13.20%. The cost has been decreased on account on reduction of loan amount.

**Depreciation and Amortisation Expenses:**

The Depreciation for F.Y. 2021 was ₹120.59 Lacs as compared to ₹123.11 Lacs for F.Y. 2020. The depreciation was decreased marginally by 2.0 % in F.Y. 2021 as compared to F.Y. 2020.

**Other Expenses:**

Other Expenses for F.Y. 2021 was ₹1316.27 Lacs as compared to ₹1748.64 Lacs for F.Y. 2020. The Other Expenses was decreased by 24.73% in F.Y. 2021 as compared to F.Y. 2020 on account of reduction of electricity charges, Job work expenses.

**Profit after Tax**

The company had incurred loss of Rs. 6.48 lacs in FY 2021 as against the profit of Rs. ₹41.73 Lacs in F.Y. 2020. The company had incurred loss in F.Y 2021 on account of Covid-19. The PAT margin was 0.42 % of total revenue.

**Related Party Transactions**

For further information please refer “Annexure 33” beginning on page under Chapter titled “*Financial Statements*” beginning on page 99 of this Draft Prospectus.

**Financial Market Risks**

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

**Interest Rate Risk**

We are currently enjoying the debt free financials; hence we are not paying any interest to any banks and/or financial institutions. However, any rise in future borrowings may increase the risk to the extent of outstanding loans.

**Effect of Inflation**

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

**Information required as per Item (II) (C) (i) of Part A of Schedule VI to the SEBI Regulations:****1. Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years. The company had disposed of manufacturing unit in March 2022.

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 17 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. 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 17 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.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company's future costs and revenues will be determined by demand/supply in tin Industry mainly. The quality and the timely supply of the product by the company develop cordial relation with the client will cause a material change in the Company.

5. **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.
6. **Total turnover of each major industry segment in which the issuer company operated.**  
The Company is in the business of trading of raw material and pharmaceutical chemicals, the relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page no 61 of this Draft Prospectus.
7. **Status of any publicly announced new products or business segment.**  
Our Company has not announced any new services or business segment other than we have generated income by taking commission in the same line of business.
8. **The extent to which business is seasonal.**  
Our Company's business is not seasonal.
9. **Any significant dependence on a single or few suppliers or customers.**  
The Revenue from top ten customers in the FY 2021-2022 and FY 2020-21 was 63.97% and 81.56 %of the total turnover. The purchase from top ten suppliers in the FY 2021-2022 and FY 2020-21 was 69.90% and 65.85 %of the total purchase of material
10. **Competitive conditions.**  
Competitive conditions are as described under the Chapters titled "*Industry Overview*" and "*Business Overview*" beginning on pages 61 and 67, respectively of this Draft Prospectus.



## Other Financial Information

### SUMMARY OF ACCOUNTING RATIOS

(Rs. In Lakhs)

| Ratios  | For the year ended 30th September 2022 | For the year ended 31 st March 2022 | For the year ended 31 st March 2021 | For the year ended 31 st March 2020 |
|---|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Restated PAT as per P& L Account  | 12.68                                  | 44.39                               | 6.48                                | 41.73                               |
| Weighted Average Number of Equity Shares at the end of the Year/Period (Pre-Bonus Issue)  | 23,250                                 | 23,250                              | 3,250                               | 11,960                              |
| Weighted Average Number of Equity Shares at the end of the Year/Period (Post Bonus Issue) | 23,48,250                              | 23,48,250                           | 23,48,250                           | 23,36,960                           |
| No. of equity shares at the end of the year/period (Pre-Bonus Issue)                      | 23,250                                 | 23,250                              | 23,250                              | 23,250                              |
| No. of equity shares at the end of the year/period (Post Bonus Issue)                     | 23,48,250                              | 23,48,250                           | 23,48,250                           | 23,48,250                           |
| Net Worth   | 1,175.65                               | 1,162.97                            | 1,118.58                            | 1,125.06                            |
| <b>Earnings Per Share</b>   |  |                                     |                                     |                                     |
| Basic & Diluted EPS   | 54.54                                  | 190.92                              | (27.87)                             | 348.89                              |
| Adjusted Basic & Diluted EPS  | 0.54                                   | 1.89                                | (0.28)                              | 1.79                                |
| <b>Return on Net Worth (%)</b>  | 1.08%                                  | 3.82%                               | -0.58%                              | 3.71%                               |
| <b>Net Asset Value Per Share (Rs) (Pre-Bonus Issue)</b>                                   | 5,056.57                               | 5,002.03                            | 4,811.11                            | 4,838.98                            |
| <b>Net Asset Value Per Share (Rs) (Post Bonus Issue)</b>                                  | 50.07                                  | 49.53                               | 47.63                               | 47.91                               |
| Nominal Value per Equity share (Rs.)  | 10.00                                  | 10.00                               | 10.00                               | 10.00                               |

### CAPITALISATION STATEMENT AS AT 30TH SEPTEMBER, 2022

(Rs. In Lakhs)

| Particulars                                 | Pre-Issue       | Post Issue     |
|---|-----------------|----------------|
| <b>Borrowings</b>                           |                 |                |
| Short term debt (A)                         | 532.93          | 532.93         |
| Long Term Debt (B)                          | 27.40           | 27.40          |
| <b>Total debts (C)</b>                      | <b>560.34</b>   | <b>560.34</b>  |
| <b>Shareholders' funds</b>                  |                 |                |
| Equity share capital                        | 2.33            | 43.56          |
| Reserve and surplus - as restated           | 1,173.33        | 1813.07        |
| <b>Total shareholders' funds</b>            | <b>1,175.65</b> | <b>1856.63</b> |
| <b>Long term debt / shareholders' funds</b> | 0.02            | 0.01           |
| <b>Total debt / shareholders' funds</b>     | 0.48            | 0.30           |

#### Notes:

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at September 30, 2022.
2. Long term Debts includes current maturities of long-term debt.
3. For post issue Capitalization statement of September, 2022 has been done considering the allotment of shares in the IPO & Bonus issue as under:
  - (i) Allotment dtd. 21-11-2022 of 23,250 @ 100 and
  - (ii) Bonus issue of 23,25,000/- shares
  - (iii) Issue of shares through Ipo of 15,66,000/- @ 51/-.

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

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

For the purpose of point (V) above, our Board has considered and pass the Resolution for identification of material litigation involving the Relevant Parties in its meeting held on February 03, 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 ₹ 15.00 lakhs shall be considered material; or

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

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

Our Board, in its meeting held on February 03, 2023 determined that outstanding dues to creditors in excess of ₹ 5.00 lakhs as per the restated financials for the period ended September 30, 2022 shall be considered as material dues (“Material Dues”).

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

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at [www.vivaatrade.com](http://www.vivaatrade.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

Taxation Matters (Appeal before IT Tribunal –Tax Liability Rs.5,21,15,710

| Sr. No | Assessment Year | Amount (₹ in Lacs) | Particular  |
|--------|-----------------|--------------------|---|
| 1      | 2015-16         | 521.16             | Revision under Section 263 of the income Tax Act,1961 |

3) Proceedings against Our Company for economic offences/securities laws/ or any other law

NIL

4) Penalties in Last Five Years

NIL

5) Pending Notices against our Company

NIL

6) Past Notices to our Company

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

#### **B. LITIGATIONS FILED BY OUR COMPANY**

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

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

#### **A. LITIGATIONS AGAINST DIRECTOR(S) OF OUR COMPANY**

- 1) Criminal Litigations  
NIL
- 2) Civil Proceedings  
NIL
- 3) Taxation Matters  
NIL
- 4) Past Penalties imposed on our Directors  
NIL
- 5) Proceedings initiated against our Directors for economic offences/securities laws/ or any other law  
NIL
- 6) Directors on list of wilful defaulters of RBI  
NIL

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

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

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

#### **A. LITIGATIONS AGAINST PROMOTER(S) OF OUR COMPANY**

- 1) **Criminal Litigations**  
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 –OTHER MATTERS- 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 136 of this Draft Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

As on September 30, 2022, our Company had 15 creditors, to whom a total amount of ₹8171.39 lakhs were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated February 03,2023, considered creditors to whom the amount due exceeds ₹ 5.00 lakhs as per our Company's restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

| <b>Sr.No.</b> | <b>Particulars</b>                         | <b>Amount (₹. in Lakhs)</b> |
|---------------|--|-----------------------------|
| 1.            | Amount due to Micro and Small Enterprises. | -                           |
| 2.            | Amount due to Material Creditors.          | 8163.37                     |
| 3.            | Amount due to Other Creditors.             | 8.02                        |
|               | <b>Total</b>                               | <b>8171.39</b>              |

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.vivaatrade.com](http://www.vivaatrade.com) would be doing so at their own risk.

**WILFUL DEFAULTER**

Our Promoter and Directors have not been identified as a willful defaulter in terms of the SEBI (ICDR) Regulations, 2018 as on the date of this Draft Prospectus.

## GOVERNMENT AND OTHER STATUTORY 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 75 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 December 20, 2022, authorised the Issue subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
2. The Shareholders of the Company have, pursuant to a resolution dated January 02, 2023, passed in the EGM for authorizing the Company to issue shares under Section 62(1)(c) of the Companies Act, 2013.

#### In-principal approval from the Stock Exchange

3. The Company has obtained in-principal listing approval from the SME Exchange of the BSE dated [●].

#### Agreements with CDSL and NSDL

4. The Company has entered into an agreement dated [●] with the Central Depository Services (India) Limited (CDSL") and the Registrar and Transfer Agent, who in this case is Big share Services Private Limited, for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated [●] 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 [●].

### (B) Registration under the Companies Act, 1956/2013:

| Sr. No. | Authority Granting Approval  | Approval / Registration No.   | Applicable Laws     | Nature of Approvals   | Validity              |
|---------|--|---|---------------------|---|-----------------------|
| 1.      | Assistant Registrar of Companies, Gujarat, Dadra and Nagar Havelli | U70101GJ2010PTC060395vide Certificate of Incorporation dated April 23, 2010     | Companies Act, 1956 | Certificate of Incorporation  | Valid, till Cancelled |
| 2.      | Registrar of Companies, ROC-Guajarat, Dadra and Nagar Havelli      | U17120GJ2010PTC060395vide Certificate of Incorporation dated September 6, 2012. | Companies Act, 1956 | Fresh Certificate of Incorporation consequent upon Change of Name of the Company. | Valid, till Cancelled |

|    |                                       |  |                     |  |                       |
|----|---------------------------------------|--|---------------------|--|-----------------------|
| 2. | Registrar of Companies, ROC-Ahmedabad | U17120GJ2010PLC060395 vide Certificate of Incorporation dated December 14, 2022. | 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, Goods and Service Tax:**

| Sr. No. | Authority Granting Approval               | Approval/ Registration No. | Applicable Laws                  | Nature of Approvals          | Validity              |
|---------|---|----------------------------|----------------------------------|------------------------------|-----------------------|
| 1.      | Income Tax Department- (PAN)              | AAICA3968J                 | Income Tax Act, 1961             | Permanent Account Number     | Valid, till Cancelled |
| 2.      | Income Tax Department- (TAN)*             | AHMOV5101F                 | Income Tax Act, 1961             | Tax Deduction Account Number | Valid, till Cancelled |
| 3.      | Gujarat Goods and Services Tax Act, 2017* | 24AAICA3968JIZE            | Goods and Services Tax Act, 2017 | Goods and Services Tax       | 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-01-0018810         | The Micro, Small and Medium Enterprises Development Act, 2006    | Udyam Registration Certificate              | Valid, till cancelled     |
| 2.      | Director General of Foreign Trade, Ahmedabad *                        | IEC No.: 0813001161          | Import-Export Rules and Regulation                               | Certificate Of Importer-Exporter Code (IEC) | Valid, till cancelled     |
| 3.      | Deputy Directorate Industry Safety and Health, Ahmedabad*             | License No.19146             | Factory Act, 1948  | License to work a Factory                   | Valid up till, 31/12/2023 |
| 4.      | Employees Provident Fund Organization*                                | Code Number: GJVAT0051849000 | Employees' Provident Fund and Miscellaneous Provisions Act, 1952 | Registration for Provident Fund             | Valid, till cancelled     |
| 5.      | Employees State Insurance Corporation*                                | 37000262040000199            | Employees State Insurance Act, 1948                              | Registration with ESI Authority             | Valid, till cancelled     |

Note: \*All the Approvals/Licenses/Registration are in name of Vivaa Tradecom Private Limited, company is taking necessary steps to get the same in the name of Vivaa Tradecom Limited.

**License Yet to be Applied - Shop and Establishment License**

## FINANCIAL INFORMATION OF OUR GROUP COMPANIES

As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies which is covered under the applicable Accounting Standard (AS-18) as per the Restated Financial Statements of our Company. Further in addition to it, pursuant to a resolution of our Board dated February 03, 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 is 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. Hind Project and Infrastructures Limited

#### Brief Corporate Information

|                                  |  |
|----------------------------------|--|
| <b>Date of Incorporation</b>     | March 19, 1993   |
| <b>Current Activities</b>        | Manufacturing, Refining and Trading in Minerals  |
| <b>CIN</b>                       | U15543GJ1993PLC019168  |
| <b>Registered Office Address</b> | 307-308,3rd Floor, Shital Varsha Arcade, Opp. Girish Cold Drink, C.G.Road, Ahmedabad - 380009, Gujarat, India. |

In accordance with the SEBI (ICDR) Regulations, financial information in relation to our Group Company is also available at the website <https://vivaatrade.com/>.

#### Other confirmations:

- ❖ The Company is not a listed Company
- ❖ The Company is 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 Company is not in the same line of business as our Company and there are no common pursuits between our Group Company and our Company.

#### Business Interests amongst our Company and Group Company /Associate Company

Except as disclosed in *Annexure – 33 “Related Party Transactions”* on page 128, 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 *Annexure –33 “Related Party Transactions”* on page 128 of this 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 99 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 143 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 ISSUE**

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on December 20, 2022, 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 EOGM of our Company held on January 02, 2023.

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

### **PROHIBITION BY SEBI**

Our Company, Promoter, 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, Promoter 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 Promoter, 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(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE Limited (“BSE SME”)). Our Company also complies with eligibility conditions laid by SME Platform of BSE Limited for listing of Equity Shares.

### **We confirm that:**

1. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, the lead manager shall ensure that the issuer shall file copy of the draft Prospectus/prospectus with SEBI along with Due Diligence certificate including additional confirmations as required at the time of filing the Draft Prospectus/Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this issue has been hundred percent (100%) underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please see “General Information” on page no. 31 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. 31 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.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Platform of BSE Limited which states as follows:

**1. The issuer should be a Company incorporated Under Companies Act, 1956**

Our Company is incorporated under the Companies Act, 1956.

**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 ₹3.94 crores, less than ₹25 crores.

**3. Positive Net Worth**

(₹ in lakhs)

| Particulars                                   | September 30, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|---|--------------------|----------------|----------------|----------------|
| Net Worth as per Restated Financial Statement | 1175.65            | 1162.97        | 1118.58        | 1125.06        |

**4. Net Tangible Assets of Rs. 150.00 Lakh**

Our Net Tangible Assets as per the latest audited financial statements i.e as on September 30, 2022 is ₹ 10022.11

**5. Track Record**

**(A) The company should have (combined) a track record of at least 3 years.**

Our Company satisfies the criteria of Track Record

(₹ in lakhs)

| Particulars                                    | September 30, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|--|--------------------|----------------|----------------|----------------|
| Net Profit as per Restated Financial Statement | 12.68              | 44.39          | -6.48          | 41.73          |

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

The Company has positive Cash Accruals

(₹ in Lacs)

| Particulars                          | September 30, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|--------------------------------------|--------------------|----------------|----------------|----------------|
| Earnings before depreciation and tax | 31.70              | 142.15         | 118.79         | 185.70         |

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

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

The Company's shares bear an ISIN No: [●]

**Company shall mandatorily have a website.**

Our Company has a live and operational website: [www.vivaatrade.com](http://www.vivaatrade.com)

**Certificate from the applicant company stating the following:**

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

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

No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

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

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

#### **SEBI DISCLAIMER CLAUSE**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE LEAD 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 FEBRUARY 06, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOUSER REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT.**

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

**DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

As required, a copy of this Draft Prospectus has been submitted to BSE Limited. The Disclaimer Clause as intimated by the BSE Limited to us, post scrutiny of this Draft Prospectus will be produced by our Company in the Prospectus.

**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.vivaatrade.com](http://www.vivaatrade.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.vivaatrade.com](http://www.vivaatrade.com) and [www.ifinservices.in](http://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**

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

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

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within six (6) working days from the Issue Closing Date.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(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 and 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. D G M S & Co., Chartered Accountants., Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements dated February 06, 2023 and M/s. Shreekant S. Shah & Co., Chartered Accountants, statutory auditor of the company have agreed to provide the Statement of Tax Benefits dated February 03, 2023, which may be available to the Company and its shareholders, included in this 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. D G M S & Co., Chartered Accountants and Statement of Tax Benefits issued by M/s. Shreekant S. Shah & Co., 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 40 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 Issue" 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](http://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%)   | NA  |
| 5.      | Pace E-Commerce Ventures Limited (BSE SME)          | 66.53           | 103             | October 20, 2022   | 104.50                        | -61.99% (+4.16%)   | NA   | NA  |

Sources: Share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**Note:**

1. The BSE Sensex is considered as the Benchmark Index
2. Prices on BSE /NSE are considered for all of the above calculations
3. In case 30th/90th/180th day 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 | Nos of IPOs trading at discount on 30th Calendar day from listing date | Nos of IPOs trading at premium on 30th Calendar day from listing date | Nos of IPOs trading at discount on 180th Calendar day from listing date | Nos of IPOs trading at premium on 180th Calendar day from listing date |
|----------------|------------------|--------------------|--|---|---|--|
|                |                  |                    |  |   |   |  |

|         |   | (₹ Cr) | 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       | 1              | NA            | NA       | NA             | NA            |
| 2022-23 | 4 | 207.02 | 1        | 2              | NA            | 1        | NA             | NA            | NA       | 1              | NA            | 1        | 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](http://www.ifinservices.in).

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process and UPI may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on September 01, 2022. For further details, please refer the chapter titled “*Our Management*” on page no. 85 of Draft Prospectus.

Our Company has also appointed Aditi Gerg, the Company Secretary and Compliance Officer of our company, for this Issue she may be contacted in case of any pre-issue or post-issue related problems at the following address:

**Company Secretary and Compliance Officer**

**Aditi Gerg**

**Vivaa Tradecom Limited**

17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad – 382405

**Tel No:** +91 9924822188

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

**E-mail:** [account@vivaatrade.com](mailto:account@vivaatrade.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 195 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 December 20, 2022 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on January 02, 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 98 and 195 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 ₹ 51 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 55 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 195 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 2,000 Equity Shares and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 2,000 Equity Share subject to a minimum allotment of 2,000 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 Offer and the monies collected shall be refunded within four (4) Working days of closure of Offer. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholder, to the extent applicable and 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 Offer, the Lead Manager will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Offer Closing Date, the 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

- any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked.
- any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock;
- any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock;
- any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Prospectus may result in changes in the timelines.

#### Submission of Application Forms:

| Issue period (except the Issue Closing Date) |   |
|--|---|
| Submission and Revision of Application Form  | Only between 10.00 a.m. and 5.00 p.m. IST |
| Issue Closing Date                           |   |
| Submission and Revision of Application Form  | Only between 10.00 a.m. and 3.00 p.m. IST |

On the Issue Closing Date, for uploading the Application Forms:

1. 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and

2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 03.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from SME Platform of BSE may be taken as the final data for the purpose of Allotment.

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Draft Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Draft Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) Working Days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a).

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

#### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of 2,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

#### **Withdrawal of the Issue**

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is registered with the RoC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Prospectus.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 40 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 195 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 BSE from the SME Exchange 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 BSE 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 SME 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 though this issue are proposed to be listed on the SME Platform of BSE Limited (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE Limited for a minimum period of three years from the date of listing of shares offered though 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 31 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 Promoter, 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 [●] among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated [●] 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 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital is less than ten 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 BSE Limited "BSE SME"). 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 158 and 167 respectively of this Draft Prospectus.

Public issue of 15,66,000 equity shares of face value of ₹ 10.00/- each for cash at a price of ₹51 per equity share including a share premium of ₹41 per equity share (the "issue price") aggregating to ₹798.66lakhs ("the issue") by our company.

| Particulars   | Net Issue to Public   | Market Maker reservation portion   |
|---|---|--|
| <b>Number of Equity Shares</b>  | 14,84,000* Equity Shares  | 82,000 Equity Shares   |
| <b>Percentage of Issue Size available for allocation</b>                      | 94.76% of the Issue Size.<br>37.69% of the Post Issue Paid up capital   | 5.24% of the Issue Size<br>2.08 % of the Post Issue Paid up capital  |
| <b>Basis of Allotment/Allocation if respective category is oversubscribed</b> | Proportionate subject to minimum allotment of 2000 Equity Shares and Further allotment in multiples of 2000 Equity Shares each.<br>For further details, please refer to the section titled "Issue Procedure" on page 165 of this Draft Prospectus.  | Firm Allotment   |
| <b>Mode of Application</b>  | Retail Individual Investors may apply through UPI Payment Mechanism.<br>All other applicants and Retail Individual Investors (whose bank do not provide UPI Payment facility) shall apply through ASBA Only.  | Through ASBA mode Only.  |
| <b>Minimum Application Size</b>   | <b><u>For OIB and NII:</u></b><br>Such number of Equity Shares in multiples of 2000 Equity Shares such that the Application Value exceeds ₹ 2,00,000<br><b><u>For Retail Individuals:</u></b><br>Such number of equity shares where application size is of at least 2000 Equity Shares.   | 82,000 Equity Shares   |
| <b>Maximum Bid</b>  | <b><u>For OIB and NII:</u></b><br>Such number of Equity Shares in multiples of 2000 Equity Shares such that the Application Size does not exceed 14,84,000 Equity Shares subject to adhere under the relevant laws and regulations as applicable.<br><b><u>For Retail Individuals:</u></b><br>Such number of Equity Shares so that the Application Value does not exceed ₹ 2,00,000 | 82,000 Equity Shares   |
| <b>Mode of Allotment</b>  | Compulsorily in dematerialized mode   | Compulsorily in dematerialized mode  |
| <b>Trading Lot</b>  | 2000 Equity Shares  | 2000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. |
| <b>Terms of payment</b>   | In case of ASBA, the entire application amount shall be blocked at the time of  |  |



| Particulars | Net Issue to Public   | Market Maker reservation portion |
|-------------|---|----------------------------------|
|             | 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 165 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/2022/45dated 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:

| <b>Category</b>  | <b>Colour of Application Form</b> |
|--|-----------------------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)** | White*                            |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**        | Blue*                             |

\*Excluding electronic Application Form.

\*\*Application Forms will also be available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)). Same Application

Form applies to all ASBA Applicants/ Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

#### **Submission and Acceptance of Application Form**

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called “Designated Intermediaries”).

| Sr No. | Designated Intermediaries  |
|--------|--|
| 1.     | An SCSB, with whom the bank account to be blocked, is maintained   |
| 2.     | A syndicate member (or sub-syndicate member)   |
| 3.     | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”) |
| 4.     | A depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)   |
| 5.     | Registrar to an issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)                    |

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Application Forms to SCSBs only

The upload of the details in the electronic bidding system of stock exchange will be done by:

|   |  |
|---|--|
| <b>For Applications submitted by investors to SCSB:</b>   | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.   |
| <b>For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:</b> | 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.  |
| <b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>    | 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).<br>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 1/3<sup>rd</sup> 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.**

**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 ₹51 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

#### **Payment Mechanism**

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

#### **PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

**In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.**

### **Who can apply through UPI Mode:**

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

### **Process**

**Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: [www.sebi.gov.in](http://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. 31 of this Draft Prospectus.

#### **Filing of the Offer Document with the ROC**

For filing details, please refer Chapter titled "General Information" beginning on page 31 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 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 [●] with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated [●] with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No:[●]

- 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.**

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| <p><b>Vivaa Tradecom Limited</b><br/> <b>Ms. Aditi Gerg</b><br/> <b>Company Secretary and Compliance Officer</b><br/> <b>Address:</b> Tel No: Office 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad – 382405, Gujarat, India<br/> <b>Website:</b> <a href="http://www.vivaatrade.com">www.vivaatrade.com</a><br/> Tel No: +91 9924822188<br/> <b>E-mail:</b> <a href="mailto:account@vivaatrade.com">account@vivaatrade.com</a></p> | <p><b>Bigshare Services Private Limited</b><br/> <b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093<br/> <b>Tel No:</b> +91 22-62638200<br/> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a><br/> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a><br/> <b>Contact Person:</b> Aniket Chindarkar<br/> <b>SEBI Reg. No.:</b> 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 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 2,000 equity shares the allotment will be made as follows:
  - a. Each successful applicant shall be allotted 2,000 equity shares; and
  - b. The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 2,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 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 2,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in the Draft Prospectus.
6. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
  - b. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

If the retail individual investor is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' of this Draft Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the Stock Exchange.

#### **Basis of Allotment in the event of Under subscription**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size which shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Undertaking by our Company**

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. The Equity Shares proposed to be issued by it in the Issue shall be allotted and credited to the successful applicants within the specified time in accordance with the instruction of the Registrar to the Issue;
9. If the Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within fifteen (15) days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15% per annum for the delayed period
10. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh draft prospectus with Stock Exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. That the Promoters' contribution in full, if required, shall be brought in advance before the Issue opens for subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on Applicants in accordance with applicable provisions under SEBI ICDR Regulations;
12. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
13. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
14. That it shall comply with such disclosure and account norms specified by SEBI from time to time

#### **Utilization of Issue Proceeds**

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act; 2013
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 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  
VIVAA TRADECOM LIMITED**

| Title of Article      | Article Number | Content   |
|-----------------------|----------------|---|
| <b>INTERPRETATION</b> | 1.             | <p>In these Articles unless there be something in the subject matter or context inconsistent therewith:</p> <p>i. <b>“The Act”</b> means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.</p> <p>ii. <b>“Articles”</b> means Articles of Association of the Company as originally framed or altered from time to time</p> <p>iii. <b>“Beneficial Owner”</b> shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.</p> <p>iv. <b>“Board” or “Board of Director”</b> means the Collective body of the Board of Directors of the Company.</p> <p>v. <b>“Chairman”</b> means the Chairman of the Board of the Directors of the Company.</p> <p>vi. <b>“The Company”</b> means <b>Vivaa Tradecom Limited</b></p> <p>vii. <b>“Depositories Act, 1996”</b> shall mean Depositories Act, 1996 and include any Statutory modification or re enactment thereof for the time being in force.</p> <p>viii. <b>“Depository”</b> shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.</p> <p>ix. <b>“Directors”</b> mean the Directors for the time being of the Company.</p> <p>x. <b>“Dividend”</b> includes any interim dividend.</p> <p>xi. <b>“Document”</b> means a document as defined in Section 2 (36) of the Companies Act, 2013.</p> <p>xii. <b>“Equity Share Capital”</b>, with reference to any Company limited by shares, means all share capital which is not preference share capital;</p> <p>xiii. <b>“KMP”</b> means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.</p> <p>xiv. <b>“Managing Director”</b> means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.</p> <p>xv. <b>“Month”</b> means Calendar month.</p> <p>xvi. <b>“Office”</b> means the registered office for the time being of the Company.</p> <p>xvii. <b>“Paid-up share capital”</b> or “share capital paid-up” means such aggregate amount of money credited as paidup as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;</p> <p>xviii. <b>“Postal Ballot”</b> means voting by post or through any electronic mode.</p> <p>xix. <b>“Proxy”</b> includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.</p> <p>xx. <b>“Public Holiday”</b> means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government</p> |

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|                                     |    | <p>to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.</p> <p>xxi. <b>“Registrar”</b> means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.</p> <p>xxii. <b>“Rules”</b> means the applicable rules as prescribed under the relevant sections of the Act for time being in force.</p> <p>xxiii. <b>“SEBI”</b> means Securities &amp; Exchange Board of India established under Section 3 of the Securities &amp; Exchange Board of India Act, 1992.</p> <p>xxiv. <b>“Securities”</b> means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)</p> <p>xxv. <b>“Share”</b> means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.</p> <p>xxvi. <b>“Seal”</b> means the common seal of the Company.</p> <p>xxvii. <b>“Preference Share Capital”</b>, with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to—</p> <p>(a) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and</p> <p>(b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paidup or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company; Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.</p> <p>Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.</p> <p>‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.</p> |
| <b>Share Capital</b>                | 2. | The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.   |
|                                     | 3. | Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.  |
| <b>Issue of Sweat Equity Shares</b> | 4. | Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.   |
| <b>Issue of Debentures</b>          | 5. | The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be  |

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|   |     | issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.  |
| <b>Issue of Share Certificates</b>                                      | 6.  | <p>i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided, —</p> <p>a. one certificate for all his shares without payment of any charges; or</p> <p>b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.</p> <p>ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;</p> <p>iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>iv. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</p> |
|   | 7.  | If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.  |
|   | 8.  | Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.  |
|   | 9.  | The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.  |
| <b>Power to pay Commission In connection with the Securities issued</b> | 10. | <p>i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</p> <p>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</p> <p>iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</p>   |



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| <b>Variations of Shareholder's rights</b> | 11. | <p>i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.</p> <p>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one third of the issued shares of the class in question.</p>  |
|   | 12. | <p>The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.</p>  |
| <b>Issue of Preference Shares</b>         | 13. | <p>Subject to the provisions of section 55 and 62, any preference shares may with the sanction of Special resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.</p>  |
| <b>Further Issue of shares</b>            | 14. | <p>(1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:</p> <p>(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</p> <p>(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>(3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:<br/> Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.</p> |
| <b>Lien</b>                               | 15. | <p>i. The Company shall have a first and paramount lien—</p> <p>a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p> <p>b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company;</p> <p>c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares</p> <p>Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p>  |

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|                       |     | ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.   |
|                       | 16. | The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:<br>Provided that no sale shall be made—<br>a. unless a sum in respect of which the lien exists is presently payable; or<br>b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.   |
|                       | 17. | i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.<br>ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.<br>iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.  |
|                       | 18. | i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.<br>ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.   |
| <b>Joint Holdings</b> | 19. | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-<br>a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.<br>b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.<br>c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.<br>d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.<br>e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.<br>f) (i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then 6 one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.<br>(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders. |

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|                           |     | g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.  |
| <b>Calls on shares</b>    | 20. | i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:<br>Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.<br>ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.<br>iii. A call may be revoked or postponed at the discretion of the Board. |
|                           | 21. | A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.   |
|                           | 22. | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.  |
|                           | 23. | i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.<br>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.   |
|                           | 24. | i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.<br>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture<br>iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.  |
|                           | 25. | The Board—<br>i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and<br>ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.   |
|                           | 26. | Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.<br>Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.   |
|                           | 27. | The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.   |
|                           | 28. | The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.  |
| <b>Transfer of shares</b> | 29. | i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.<br>ii. Each share in the Company shall be distinguished by its appropriate  |

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|                              |     | number.<br>iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.  |
|                              | 30. | i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.<br>ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.  |
|                              | 31. | The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-<br>i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or<br>ii. any transfer of shares on which the Company has a lien.<br>iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares 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.  |
|                              | 32. | The Board shall decline to recognise any instrument of transfer unless—<br>i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;<br>ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares.<br>Provided that, transfer of shares in whatever lot shall not be refused.<br>iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),<br>iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;<br>v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter. |
|                              | 33. | The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay   |
|                              | 34. | On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:<br>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year   |
|                              | 35. | The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.  |
| <b>Register of Transfers</b> | 36. | The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every   |

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|  |     | transfer or transmission of any shares.  |
| <b>Dematerialisation of Securities</b> | 37. | <p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.</p> <p>a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.</p> <p>b. Option for Investors:<br/>Every holder of or subscriber to securities of 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 the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.<br/>If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security</p> <p>c. Securities in Depository to be in fungible form:-<br/>o All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.<br/>o Nothing contained in Sections 88, 89, 112 &amp; 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</p> <p>d. Rights of Depositories &amp; Beneficial Owners:-<br/>Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>e. Save as otherwise provided in (d) 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.</p> <p>f. 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 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>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a 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>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</p> <p>vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.</p> <p>vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country</p> |

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|                               |     | outside India, a Register of Members for the residents in that state or Country.  |
| <b>Transmission of shares</b> | 38. | <p>i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.</p> <p>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>   |
|                               | 39. | <p>i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <p>a. to be registered himself as 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>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>   |
|                               | 40. | <p>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>   |
|                               | 41. | <p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p> |
|                               | 42. | <p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p> <p>No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents</p>   |
| <b>Forfeiture of shares</b>   | 43. | <p>If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.</p>   |
|                               | 44. | <p>The notice aforesaid shall—</p> <p>i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and</p> <p>ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be</p>   |

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|  |     | forfeited.   |
|  | 45. | If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.   |
|  | 46. | i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.<br>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.   |
|  | 47. | i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.<br>ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.  |
|  | 48. | i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;<br>ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;<br>iii. The transferee shall thereupon be registered as the holder of the share; and<br>iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. |
|  | 49. | The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.   |
|  | 50. | Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.  |
|  | 51. | Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.   |
|  | 52. | The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.   |
|  | 53. | The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.  |
|  | 54. | The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.  |

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| <b>Initial payment not to preclude forfeiture</b> | 55. | Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.  |
| <b>Alteration of capital</b>                      | 56. | The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.   |
|   | 57. | Subject to the provisions of section 61, the Company may, by ordinary resolution,—<br>i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;<br>ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;<br>iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;<br>iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.  |
| <b>Conversion of Shares into Stock</b>            | 58. | Where shares are converted into stock,—<br>i. 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:<br>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.<br>ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.<br>iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively. |
| <b>Reduction of Capital</b>                       | 59. | The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—<br>i. its share capital;<br>ii. any capital redemption reserve account; or<br>iii. Any share premium account.  |
| <b>Share Warrants</b>                             | 60. | The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.<br>The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited   |



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|                                  |     | <p>warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.</p> <p>The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.</p>  |
| <b>Capitalisation of profits</b> | 61. | <p>i. The Company in general meeting may, upon the recommendation of the Board, resolve—</p> <p>a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—</p> <p>a. paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;</p> <p>c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);</p> <p>d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</p> <p>e. The Board shall give effect to the resolution passed by the Company in pursuance of this - regulation.</p> <p>iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.</p> |
|                                  | 62. | <p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>a. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and</p> <p>b. generally to do all acts and things required to give effect thereto.</p> <p>ii. The Board shall have power—</p> <p>a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and</p> <p>b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may</p>   |

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|  |     | require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;<br>iii. Any agreement made under such authority shall be effective and binding on such members.   |
| <b>Buy-back of shares</b>              | 63. | Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.   |
| <b>General Meeting</b>                 | 64. | All General Meetings other than annual general meeting shall be called extra-ordinary general meetings.  |
|  | 65. | i. The Board may, whenever it thinks fit, call an extraordinary general meeting.<br>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninetyfive per cent. of the members entitled to vote at such meeting.<br>iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board. |
| <b>Proceedings at general meetings</b> | 66. | i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.<br>ii.<br>i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.<br>ii. In any other case, the quorum shall be decided as under:<br>a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;<br>b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;  |
|  | 67. | The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.  |
|  | 68. | If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.   |
|  | 69. | If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.   |
|  | 70. | The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.  |
|  | 71. | A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.  |

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| <b>Demand for poll</b>        | 72. | <p>i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.</p> <p>ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p>  |
| <b>Time of taking poll</b>    | 73. | <p>i. A poll demanded on a question of adjournment shall be taken forthwith.</p> <p>ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.</p>   |
| <b>Adjournment of meeting</b> | 74. | <p>i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p> |
| <b>Voting rights</b>          | 75. | <p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <p>i. on a show of hands, every member present in person shall have one vote; and</p> <p>ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.</p>   |
|                               | 76. | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.  |
|                               | 77. | <p>i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>  |
|                               | 78. | 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.   |
|                               | 79. | Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.  |
|                               | 80. | Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.  |
|                               | 81. | No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.  |
|                               | 82. | i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for   |

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|  |     | all purposes.<br>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.   |
|  | 83. | No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.  |
| <b>Casting Vote</b>  | 84. | In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.  |
| <b>Representation of Body Corporate</b>  | 85. | A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.   |
| <b>Circulation of member's resolution</b>  | 86. | The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.   |
| <b>Resolution requiring special notice</b>                                       | 87. | The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.   |
| <b>Resolutions passed at adjourned meeting</b>                                   | 88. | The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.   |
| <b>Registration of resolutions and agreements</b>                                | 89. | The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.  |
| <b>Minutes of proceedings of general meeting and of Board and other Meetings</b> | 90. | i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.<br>ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :<br>A. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.<br>B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.<br>C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.<br>D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.<br>E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.<br>F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain: |

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|   |     | <p>a. the names of the Directors present at the meetings, and</p> <p>b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</p> <p>iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <p>a. is or could reasonably be regarded, as defamatory of any person</p> <p>b. is irrelevant or immaterial to the proceedings; or</p> <p>c. in detrimental to the interests of the Company.</p> <p>iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>   |
| <b>Minutes to be considered to be evidence</b>                  | 91. | The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.   |
| <b>Publication of reports of proceeding of general meetings</b> | 92. | No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.  |
| <b>Proxy</b>  | 93. | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of ₹a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.  |
|   | 94. | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.  |
|   | 95. | A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:<br>Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.  |
| <b>Board of Directors</b>                                       | 96. | The first directors of the Company shall be:<br><b>1. VIRAL JATIN MEHTA</b><br><b>2. AESHA VIRAL MEHTA</b>  |
|   | 97. | The Directors need not hold any “Qualification Share(s)”.   |
|   | 98. | Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:<br>He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the |

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|   |      | Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.<br>Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.  |
|   | 99.  | i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.<br>ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them—<br>a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or<br>b. in connection with the business of the company.   |
|   | 100. | The Board may pay all expenses incurred in getting up and registering the company.  |
|   | 101. | The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.   |
|   | 102. | All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.  |
|   | 103. | Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.   |
|   | 104. | i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.<br>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.  |
| <b>Retirement and Rotation of Directors</b> | 105. | Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.   |
|   | 106. | The remaining Directors shall be appointed in accordance with the provisions of the Act.  |
|   | 107. | At the Annual General Meeting in each year one-third of the Directors for the time being as are liable o retire by rotation or, if their number is not three or a multiple of three, the number nearest to onethird shall retire from office.   |
|   | 108. | Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.<br>Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed. |
|   | 109. | Subject to the provisions of the Act and these Articles, the retiring   |

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|                         |      | Director shall be eligible for reappointment.   |
|                         | 110. | Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.   |
| <b>Nominee Director</b> | 111. | Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as "the Corporation") continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.   |
|                         | 112. | The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.   |
|                         | 113. | The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.   |
|                         | 114. | The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.<br>Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation. |
|                         | 115. | Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders.  |

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|   |      | Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.  |
| <b>Removal of Directors</b>   | 116. | The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.   |
|   | 117. | Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.   |
|   | 118. | On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.   |
|   | 119. | Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,<br>(a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and<br>(b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:<br>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it. |
|   | 120. | A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.  |
|   | 121. | A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.  |
|   | 122. | If the vacancy is not filled under clause (5) above, it may be filled as a casual vacancy in accordance with the provisions of this Act:<br>Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.  |
|   | 123. | Nothing in this section shall be taken<br>a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or<br>b) as derogating from any power to remove a director under other provisions of this Act.  |
| <b>Remuneration and sitting fees to Directors including Managing and whole time Directors</b> | 124. | Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.<br>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.<br>a. In attending and returning from meetings of the Board of Directors and   |



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|  |      | committee thereof, all General Meetings of the company and any of their adjourned sittings, or<br>b. In connection with the business of the Company.   |
|  | 125. | Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/- (Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.  |
| <b>Powers and duties of Directors:</b>                             |      |  |
| <b>Certain powers to be exercised by the Board only at Meeting</b> | 126. | <p>i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.</p> <p>a. The power to make calls on shareholders in respect of money unpaid on their shares;</p> <p>b. The Power to authorize buy-back of securities under Section 68 of the Act.</p> <p>c. Power to issue securities, including debenture, whether in or outside India</p> <p>d. The power to borrow moneys</p> <p>e. The power to invest the funds of the Company,</p> <p>f. Power to Grant loans or give guarantee or provide security in respect of loans</p> <p>g. Power to approve financial statements and the Board's Report</p> <p>h. Power to diversify the business of the Company</p> <p>i. Power to approve amalgamation, merger or reconstruction</p> <p>j. Power to take over a Company or acquire a controlling or substantial stake in another Company</p> <p>k. Powers to make political contributions;</p> <p>l. Powers to appoint or remove key managerial personnel (KMP);</p> <p>m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>n. Powers to appoint internal auditors and secretarial auditor;</p> <p>o. Powers to take note of the disclosure of director's interest and shareholding;</p> <p>p. Powers 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. Powers to invite or accept or renew public deposits and related matters;</p> <p>r. Powers to review or change the terms and conditions of public deposit;</p> <p>s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.</p> <p>ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.</p> |

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|  |      | <p>iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.</p> <p>v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.</p>  |
| <b>Restriction on powers of Board</b>                    | 127. | <p>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting :</p> <p>a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</p> <p>b) remit, or give time for the repayment of any debt, due by a Director;</p> <p>c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;</p> <p>d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or</p> <p>e) contribute to bona fide charitable and other funds, aggregate of which in any financial year, exceed five percent of its average net profits during the three financial years, immediately preceding.</p> <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <p>a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or</p> <p>b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.</p> <p>iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorize the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.</p> |
|  | 128. | <p>Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.</p>   |
| <b>General powers of the Company vested in Directors</b> | 129. | <p>Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not thereby or by the statute or otherwise directed or required to</p>   |

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|   |      | <p>be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.</p>   |
| <b>Specific powers given to Directors</b> | 130. | <p>Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:</p> <p>i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;</p> <p>ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorized to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;</p> <p>iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;</p> <p>iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;</p> <p>v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;</p> <p>vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;</p> <p>vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;</p> |

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|  | <p>viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;</p> <p>ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;</p> <p>xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;</p> <p>xiii. 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 subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.</p> <p>xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at any time Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being</p> |
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|  |      | <p>of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p> <p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to subdelegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of or on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;</p> |
| <b>MANAGING DIRECTORS</b>                                |      |  |
| <b>Power to appoint Managing or Whole-time Directors</b> | 131. | <p>a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.</p> <p>c) Subject to the provisions of Sections 197 &amp; 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.</p>  |
| <b>Proceedings of the Board</b>                          | 132. | <p>a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>   |

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|   | 133. | The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.  |
|   | 134. | a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.<br>b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.   |
|   | 135. | The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.   |
|   | 136. | The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.  |
|   | 137. | a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.<br>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.  |
| <b>Delegation of Powers of Board to Committee</b>                                     | 138. | a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.<br>b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.  |
|   | 139. | a) A committee may elect a Chairperson of its meetings.<br>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.   |
|   | 140. | a) A committee may meet and adjourn as it thinks fit.<br>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.   |
|   | 141. | All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.  |
|   | 142. | Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held   |
| <b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b> | 143. | Subject to the provisions of the Act,—<br>a) 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;<br>b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer. |
|   | 144. | A provision of the Act or these regulations requiring or authorising a thing   |

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|                              |      | to be done by or to a director and chief executive officers, manager, Company Secretary or chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief Financial Officer.   |
| <b>The Seal</b>              | 145. | a) The Board shall provide for the safe custody of the seal.<br>b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.  |
| <b>Dividends and Reserve</b> | 146. | The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.  |
|                              | 147. | Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.   |
|                              | 148. | a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising 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.<br>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.   |
|                              | 149. | a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.<br>b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.<br>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 dividend as from a particular date such share shall rank for dividend accordingly. |
|                              | 150. | The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.   |
|                              | 151. | a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.<br>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.   |
|                              | 152. | Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.   |
|                              | 153. | Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.   |
|                              | 154. | No dividend shall bear interest against the Company.   |

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|   |      | Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;  |
|   | 155. | Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.<br>The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.   |
|   | 156. | The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.   |
|   | 157. | Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to have made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.   |
| <b>Accounts</b>   | 158. | a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.<br>b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.  |
| <b>Inspection of Statutory Documents of the Company</b> | 159. | Minutes Books of General Meetings<br>a) The books containing the minutes of the proceedings of any general meeting of the Company shall;<br>i. be kept at the registered office of the Company, and<br>ii. be open, during the business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.<br>Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness at least 15 days in advance.<br>b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof. |
|   | 160. | Register of charges:<br>a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.<br>b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—<br>a. by any member or creditor without any payment of fees; or<br>b. by any other person on payment of such fees as may be prescribed,<br>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.   |



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| <b>Audit</b>      | 161. | <p>a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.</p> <p>c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.</p> <p>d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.</p>  |
| <b>Winding up</b> | 162. | <p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <p>i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>  |
| <b>Indemnity</b>  | 163. | <p>Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under</p>   |
| <b>Secrecy</b>    | 164. | <p>(a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.</p> <p>(b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.</p> |

**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 17, Pirana Piplej Road, Saijpur (Gopalpur), Piplej, Ahmedabad – 382405, Gujarat, 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 January 31, 2023 between our Company and the Lead Manager.
2. Registrar Agreement dated January 31, 2023 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated January 31, 2023 amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated January 31, 2023 amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated [●] amongst our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Tripartite agreement dated [●] amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
7. Tripartite agreement dated [●] 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 December 20, 2022 in relation to the Issue and other related matters.
3. Shareholders' resolution dated January 02, 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 February 06, 2023 on Restated Financial Statements of our Company for the period ended on September 30, 2022 and years ended on March 31, 2022, March 31, 2021, March 31, 2020.
6. The Report dated February 03, 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. Copy of Approval dated [●] from the SME Platform of BSE (BSE SME) to use their name in the prospectus for listing of Equity Shares.
8. Agreement dated January 30, 2023 entered into by our Company with Miteshbhai Adani appointment as a Managing Director of the company.
9. Due diligence certificate submitted to BSE Limited dated February 06, 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, 2013/1956 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 |
|-----------------------|----------------------|-----------|
| Miteshbhai Adani      | Managing Director    | Sd/-      |
| Sangita Jain          | Director             | Sd/-      |
| Narayansinh Chauhan   | Independent Director | Sd/-      |
| Dineshsingh Kshatriya | Director             | Sd/-      |
| Jimitkumar Sanghvi    | Independent Director | Sd/-      |

### Signed by:

| Name              | Designation                              | Signature |
|-------------------|--|-----------|
| Jaikishan Sajnani | Chief Financial Officer                  | Sd/-      |
| Aditi Gerg        | Company Secretary and Compliance Officer | Sd/-      |

**Place: Ahmedabad**

**Date: February 07, 2023**