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Draft Red Herring Prospectus

Dated: April 25, 2025

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

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



100% Book Built Issue



SHLOKKA DYES LIMITED

CIN: U24299GJ2021PLC124004

Incorporated on July 09, 2021 at Ahmedabad, Gujarat.

REGISTER OFFICE		CONTACT PERSON	
Plot No-C/54, GIDC, Saykha, Saran, Vagra, Bharuch-392140, Gujarat, India		Mr. Siddharth Gajra Company Secretary and Compliance Officer	
EMAIL	TELEPHONE NO.	WEBSITE	
cs@shlokkadyes.com	+91 90334 41760	<a href="http://www.shlokkadyes.com">www.shlokkadyes.com</a>	
OUR PROMOTERS OF THE COMPANY			
Vaibhav Shah And Shivani Rajpurohit			
Type	Fresh Issue Size (₹ in Lakhs)	Eligibility 229(1) / 229(2) & Share Reservation among NII & IIs	
Fresh Issue	Upto 65,00,000 Equity Shares Aggregating to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229(2) and 253(1) of SEBI (ICDR) Regulations. As the Company's post issue paid up capital is more than ₹ 10.00 Crores and up to ₹ 25.00 Crore	
RISKS 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 share. The Floor Price, Cap Price and Issue Price (is determined by our company in consultation with the Book running lead manager) as stated in the chapter titled on “Basis for Issue Price” beginning on page no. 75 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active 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 Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 20 of this Draft Red Herring Prospectus.			
ISSUER'S ABSOLUTE RESPONSIBILITY			
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.			
LISTING			
The Equity Shares offered through the Draft Red Herring 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”).			
BOOK RUNNING LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE	
 <b>INTERACTIVE FINANCIAL SERVICES LIMITED</b> <b>Address:</b> Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India <b>Tel No.:</b> 079 4908 8019 <b>(M) +91-9898055647</b> <b>Website:</b> <a href="http://www.ifinservices.in">www.ifinservices.in</a> <b>Email:</b> <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a> <b>Investor Grievance Email:</b> <a href="mailto:info@ifinservices.in">info@ifinservices.in</a> <b>Contact Person:</b> Mr. Pradip Sandhir <b>SEBI Reg. No.:</b> INM000012856		 <b>BIGSHARE SERVICES PRIVATE LIMITED</b> <b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai -400093, Maharashtra, India <b>Tel No.:</b> 022-62638200 <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>E-Mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Contact Person:</b> Mr. Asif Sayyed <b>CIN:</b> U99999MH1994PTC076534 <b>SEBI Reg. No.:</b> INR000001385	
OFFER PROGRAMME			
ANCHOR PORTION ISSUE OPENS/CLOSES ON*: [●]	BID/ OFFER OPENS ON: [●]	BID/ OFFER CLOSE ON*: [●]	

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

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

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

**SHLOKKA DYES LIMITED**  
**CIN: U24299GJ2021PLC124004**

Our Company was incorporated on July 09, 2021, as a Private Limited Company as “Shlokka Dyes Private Limited” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Ahmedabad. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on October 08, 2024 our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Shlokka Dyes Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 11, 2024 by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24299GJ2021PLC124004.

**Registered office:** Plot No-C/54, GIDC, Saykha, Saran, Bharuch, Vagra, Gujarat, India, 392140

**Tel No.:** +91 90334 41760; **Website:** www.shlokkadyes.com; **E-Mail:** cs@shlokkadyes.com

**Contact Person:** Mr. Siddharth Gajra, Company Secretary and Compliance Officer

**PROMOTERS OF THE COMPANY: VAIBHAV SHAH AND SHIVANI RAJPUROHIT**

**THE ISSUE**

**INITIAL PUBLIC ISSUE OF UPTO 65,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF SHLOKKA DYES LIMITED (“SDL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] (“THE ISSUE”), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO [●] LACS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] (A WIDELY CIRCULATED GUJARATI NATIONAL DAILY NEWSPAPER) WHERE OUR REGISTERED OFFICE IS LOCATED, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED (“BSE SME”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.**

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

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI (ICDR) Regulations, as amended, wherein [●] (not more than 50 % of the Net Issue) shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, [●] (not less than 15% of the Net Issue) shall be available for allocation on a proportionate basis to Non-Institutional Bidders of which (a) one third of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than two lots and upto such lots equivalent to not more than ₹ 10 lakhs and (b) two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size exceeding ₹ 10 lakhs provided under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other subcategory of Non-Institutional Portion and [●] (not less than 35% of the Net Issue) shall be available for allocation to Individual Investors who applies for minimum application size in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders other than Anchor Investors, are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of IIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” beginning on page 218 of this Draft Red Herring Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 218 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013

**ELIGIBLE INVESTORS**

For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on page 218 of this Draft Red Herring Prospectus.

**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. The Floor Price, Cap Price and Issue Price to be determined by our company in consultation with the Book running lead manager as stated in the chapter titled on “Basis for Issue Price” beginning on page no. 75 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active 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.

The face value of the Equity Shares is ₹10.00 The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 75 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active 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 Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 20 of this Draft Red Herring Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

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

omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

#### LISTING

The Equity Shares offered through the Draft Red Herring 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").

#### BOOK RUNNING LEAD MANAGER TO THE ISSUE



##### INTERACTIVE FINANCIAL SERVICES LIMITED

**Address:** Office No. 508, Fifth Floor, Priviera,  
Nehru Nagar, Ahmedabad - 380 015, Gujarat, India  
**Tel No.:** 079 4908 8019

**(M)** +91-9898055647

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

**Email:** [mbd@ifinservices.in](mailto:mbd@ifinservices.in)

**Investor Grievance Email:** [info@ifinservices.in](mailto:info@ifinservices.in)

**Contact Person:** Mr. Pradip Sandhir

**SEBI Reg. No.:** INM000012856

#### REGISTRAR TO THE ISSUE



##### BIGSHARE SERVICES PRIVATE LIMITED

**Address:** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next  
to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai -  
400093

**Tel No.:** 022-62638200

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

**E-Mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Contact Person:** Mr. Asif Sayyed

**CIN:** U99999MH1994PTC076534

**SEBI Reg. No.:** INR000001385

#### OFFER PROGRAMME

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

**BID/ OFFER OPENS ON: [●]**

**BID/ OFFER CLOSE ON\*\*: [●]**

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

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

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

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring 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 Red Herring Prospectus, but not defined herein shall have the meaning ascribed to such terms under SEBI ICDR Regulations, 2018 the Companies Act, 2013 the SCRA, the Depositories Act, 1996 and the rules and regulations made there under.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “Statement of Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigation and Material Developments” and section titled “Main Provisions of Articles of Association” beginning on page numbers 82, 139, 182 and 255 respectively, shall have the meanings ascribed to such terms in the respective sections.

### GENERAL TERMS

Term	Description
“SDL”, “Shlokka”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Shlokka Dyes Limited, a Public limited company incorporated under the Companies Act, 2013 and having Registered Office at Plot No-C/54, GIDC, Saykha, Saran, Bharuch, Vagra, Gujarat, India-392140.
Promoters	Vaibhav Shah & Shivani Rajpurohit
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. Patel & Panchal, 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 125 of this Draft Red Herring Prospectus.
Associate Companies	A body corporate in which our company has a significant influence and includes a joint venture company.
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof.
Company Secretary and Compliance Officer	The Company Secretary of our Company, being Mr. Siddharth Gajra
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Rajesh Patel.
Act or Companies Act	The Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
CIN	Corporate Identification Number
CMD	Chairman and Managing Director
Depositories Act	The Depositories Act, 1996 as amended from time to time
Director(s)	Director(s) of Shlokka Dyes Limited unless otherwise specified
Equity Shares	Equity Shares of our Company having Face Value of ₹ 10 each unless otherwise specified in the context thereof.



Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company
ED	Executive Director
Fresh Issue	The fresh issue of upto 65,00,000 Equity Shares of Face Value of Rs. 10 each at Rs. [●] (including premium of Rs. [●]) per Equity Share aggregating to Rs. [●] Lakhs to be issued by our Company as part of the Offer, in terms of the Draft Red Herring 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 193 of this Draft Red Herring 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 125 of this Draft Red Herring Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number is INE1EUB01016.
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 125 of this Draft Red Herring Prospectus.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on March 24, 2025 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time
MOA/ 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 131 of this Draft Red Herring Prospectus.
Registered Office	The Registered office of our Company, located at Plot No. C/54, GIDC, Saykha, Vagra, Bharuch - 392164.
ROC/Registrar of Companies	Registrar of Companies, Ahmedabad.
Restated Financial Statements	The restated audited financial statements of our Company for the period ended on October 31, 2024 and year ended on March 31, 2024, March 31, 2023 and March 31, 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 139 of this Draft Red Herring Prospectus.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s. Patel & Panchal, Chartered Accountants
PLC	Public Limited Company
PTC	Private Limited Company
Stakeholder’s Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted as the Company’s Stakeholder’s Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled “Our Management” on page 131 of this Draft Red Herring Prospectus.
WTD	Whole Time Director

#### ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form

Acknowledgement Slip	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Prospectus.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Application Lot	[●] Equity Shares and in multiples thereof
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Draft Red Herring 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. 248 of this Draft Red Herring Prospectus.
Bankers to our Company	State bank of India
Banker to the Issue / Refund Banker / Public Issue Bank	[●]
Business Day	Any day on which commercial banks are open for the business.
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number of the Applicant ‘s Beneficiary Account
Collection Centers	Broker Centers notified by Stock Exchange where bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the website of the BSE Limited.
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, 1996
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact

	details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e., <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.
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange.
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated Market Maker	Aftertrade Broking Private Limited (Formerly Known as RCSPL Share Broking Private Limited) will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated RTA Locations	Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a> .
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Recognized Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE LIMITED ("BSE SME").
Draft Red Herring Prospectus / DRHP/ Draft Prospectus	This Draft Red Herring Prospectus dated April 25 2025 filed with the SME Platform of BSE Limited (BSE SME), prepared and issued by our Company in accordance with SEBI (ICDR) Regulations
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus /Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Draft Red Herring Prospectus /Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Applicant Amount.
Escrow Agreement	An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Book Running Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof.
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being [●]
First Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof.
Foreign Portfolio Investor /FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37



	dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled “Issue Procedure” on page 218 of this Draft Red Herring Prospectus.
Issue Agreement	The agreement dated December 06, 2024 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Opening Date	The date on which the Issue opens for subscription
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date (inclusive of such date and the Issue Opening Date) during which prospective bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of bidders.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of upto 65,00,000 Equity Shares of Face Value of ₹10 each at Rs. [●] (including premium of Rs. [●]) per Equity Share aggregating to Rs. [●] Lakhs by Shlokka Dyes Limited.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being Rs. [●].
Issue Proceeds	The proceeds from the Issue based on the total number of equity shares allotted under the issue.
“Individual Bidder(s)” or “Individual Investor(s)” or “II(s)” or “IB(s)”	Individual Investors who applies minimum application size, which shall be two lots per application, such that the minimum application size shall be above ₹ 2 lakhs. (Including HUFs applying through their Karta) and Eligible NRIs
BRLM / LM / Book Running Lead Manager / Lead Manager	Book Running Lead Manager to the Issue, in this case being Interactive Financial Services Limited
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE Limited. (“BSE SME”)
Market Making Agreement	The Market Making Agreement dated January 20, 2025 between our Company, Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of ₹10.00/- each fully paid-up for cash at a price of Rs. [●] per Equity Share including a share premium of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs for the Market Maker in this Issue.
“Monitoring Agency”	[●], being a credit rating agency registered with SEBI.
“Monitoring Agency Agreement”	The agreement dated [●] to be entered into between our Company and the monitoring agency, pursuant to the requirements of the SEBI ICDR Regulations.
MSME	Micro Small and Medium Enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NBFC	Non- Banking Financial Companies
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of Rs. 10 each at Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs by Shlokka Dyes 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 67 of this Draft Red Herring Prospectus.
Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII	All Applicants (including Eligible NRIs), who are not QIBs or Individual Investor Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India and Indian

	Banks Association (IBA)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context may require.
Prospectus	The Prospectus dated [●] issued in accordance with Companies Act filed with the SME Platform of 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 December 06, 2024 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
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. Individual Bidder (who applies for minimum application size) can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date.
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
SME Platform of BSE	The SME platform of BSE Limited, approved by SEBI as SME Platform of BSE (BSE SME) 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, 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 IIs as per the UPI Mechanism, in this case being [●].

Syndicate Member	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter.
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID Created on the UPI for single-window mobile payment system developed by NPCI.
UPI Mandate Request	A request (intimating the IIB (Individual Investor Bidder) by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by an Individual Investors to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Underwriter	Interactive Financial Services Limited.
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated January 20, 2025.
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. 1. However, in respect of announcement of price band and Bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business. 2. In respect to the time period between the Bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

#### TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
RD	Reactive Dyes
SOD	Synthetic Organic Dyes
DD	Direct Dyes

BD	Basic Dyes
CD	Vat Dyes
DPD	Digital Printing Dyes
PD	Paper Dyes
HPLC	High-Performance Liquid Chromatography
GPCB	Gujarat Pollution and Control Board
QC	Quality Control
HCL	Hydrochloric Acid
HPCL	High-Performance Liquid Chromatography
GC	Gas Chromatography
FTIR	Fourier-Transform Infrared Spectroscopy
AAS	Atomic Absorption Spectroscopy
MA	Moisture Analyzer
IC	Ion Chromatography
GIDC	Gujarat Industrial Development Corporation
ETP	Effluent Treatment Plant
CETP	Common Effluent Treatment Plant
STP	Sewage Treatment Plant
BEIL	Bharuch Enviro Infrastructure Limited
PCPIR	Petroleum, Chemicals and Petrochemicals Investment Region
MMT	million metric tonnes
GCPMH	Global Chemicals and Petrochemicals Manufacturing Hubs
ISCMA	Indian Speciality Chemical Manufacturer' Association
RSC	Royal Society of Chemistry
SITP	Scheme for Integrated Textile Parks
TUFS	Technology Upgradation Fund Scheme
MITRA	Mega Integrated Textile Region and Apparel
CAI	Cotton Association of India

#### CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year
Bn	Billion
BG	Bank Guarantee
BHIM	Bharat Interface for Money
BRLM	Book Running Lead Manager
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CARO	Companies (Auditor's Report) Order, 2016, as amended
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number

CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director's Identification Number
DP/Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's Identification Number
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
FDI	Foreign Direct Investment
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FPI	Foreign Portfolio Investor
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/Government/GOI	Government of India
GST Act	The Central Goods and Services Tax Act, 2017
GST	Goods and Services Tax, 2017
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standard
I.T. Act	Income Tax Act, 1961, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
INR/ Rs. / Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offering
KMP	Key Managerial Personnel
Ltd.	Limited
LM	Lead Manager
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Minister of Finance, Government of India

MOU	Memorandum of Understanding
MSMEs	Micro, Small & Medium Enterprises
NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NOC	No Objection Certificate
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
RBI	Reserve Bank of India
R & D	Research and Development
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RONW	Return on Net Worth
ROCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SAT	Security Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations /ICDR Regulations/SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
SENSEX	Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time



	to time
SME	Small And Medium Enterprises
SME Exchange	SME Platform of BSE LIMITED. (“BSE SME”)
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
Tn	Trillion
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
YoY	Year on Year

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

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

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

### **Financial Data**

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our audited financial statements for the period ended on October 31, 2024 and year ended on March 31 2024, March 31 2023, March 31 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 Red Herring Prospectus, and set out in the section titled ‘Restated Financial Information’ beginning on page no.139 of this Draft Red Herring 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 Red Herring 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 Red Herring 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 Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled ‘Risk Factors’, ‘Business Overview’ and ‘Management's Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page 20, 92 and 171 respectively of this Draft Red Herring Prospectus and elsewhere in this Draft Red Herring 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 Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified.

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

### **Currency and units of presentation**

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

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

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

## FORWARD LOOKING STATEMENTS

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

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

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

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

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 20, 92 and 171 of this Draft Red Herring 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 Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, the Directors, the LM, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## SUMMARY OF ISSUE DOCUMENT

### SUMMARY OF BUSINESS

Our Company is engaged in the business of manufacturing of “Reactive Dyes”, a category of Synthetic Organic Dyes extensively utilized in the textile industry. We pride ourselves on offering a diverse portfolio of dyes, including Direct Dyes, Basic Dyes, Vat Dyes, Digital Printing Dyes, and Paper Dyes etc., catering to wide range of industries such as textiles, leather, paper, and paints etc., Our Reactive Dyes are available in primary colors such as black, blue, red, orange, and yellow, along with numerous variants of these shades, each identified by an internationally recognized Color Index Number. These dyes are suitable for a broad spectrum of textile applications, including cotton fabrics, garments, dress materials, bed sheets, and carpets. With their versatile applications and superior quality, our dyes provide reliable solutions to meet the diverse needs of our clients across various industries.

Our manufacturing facility, situated in the state of Gujarat, holds ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management) and ISO 45001:2018 (Occupational Health & Safety) certification in the manufacturing of Dyes and Intermediates. Our manufacturing facility situated at C/54, GIDC, Saykha, Dist. Bharuch – 392140 which is admeasuring land spread across approximately 5000 sq. meter. together with construction of factory shed/building of about 5731.81 sq. metre. It boasts a robust installed capacity of 9000 MT per annum, enabling us to meet diverse client demands effectively. Further, Our Manufacturing Facilities are equipped with requisite machineries to keep a constant check on quality of our product.

For more details, please refer chapter titled “Business Overview” on page 92 of this Draft Red Herring Prospectus.

### SUMMARY OF INDUSTRY

Covering more than 80,000 commercial products, India’s chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India’s GDP. The Indian chemical industry is currently valued at US\$ 220 billion and is expected to reach US\$ 300 billion by 2030 and US\$ 1 trillion by 2040. This industry remains an active hub of opportunities, even in an environment of global uncertainty.

Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world's production of dyestuffs and dye intermediates. From April-May 2024, the export of agrochemicals was US\$ 661.18 million, dyes were US\$ 379.61 million and the other dye intermediates were US\$ 27.87 million. Indian colourants industry has emerged as a key player with a global market share of ~15%. The country’s chemicals industry is de-licensed, except for a few hazardous chemicals. India has traditionally been a world leader in generics and biosimilars and a major Indian vaccine manufacturer, contributing more than 50% of the global vaccine supply. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at the global level (excluding pharmaceuticals).

From April 2023 to December 2023, India's dye exports (Dyes and Dye Intermediates) totalled US\$ 1.69 billion.

India’s proximity to the Middle East, the world’s source of petrochemicals feedstock, enables it to benefit on economies of scale

For more details, please refer chapter titled “Industry Overview” on page 85 of this Draft Red Herring Prospectus.

### PROMOTERS

The Promoters of our company are Vaibhav Shah & Shivani Rajpurohit.

For detailed information please refer chapter titled, “Our Promoters” and “Our Promoter Group” on page 135 of this Draft Red Herring Prospectus.

### ISSUE SIZE

Initial Public Issue of Upto 65,00,000 Equity Shares of face value of ₹10/- each of Shlokka Dyes Limited (“SDL” or the “Company” or the “Issuer”) for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●]

per Equity Share (the “Issue Price”) aggregating to ₹ [●] (“The Issue”), of which [●] Equity Shares of Face Value of ₹10/- Each for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] per Equity Share aggregating to ₹ [●] will be reserved for subscription by Market Maker to the Issue (the “Market Maker Reservation Portion”). the issue less the market maker reservation portion i.e., Net Issue of [●] Equity Shares of face value of ₹10/- each at a price of ₹ [●] per Equity Share aggregating to [●] lacs is herein after referred to as the “Net Issue”. The Issue and The Net Issue will constitute [●] % and [●] % respectively of the post issue paid up equity share capital of our company.

## OBJECT OF THE ISSUE

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

1. Capital Expenditure for purchase of machineries.
2. Repayment of Debt
3. Working Capital
4. General Corporate Purpose,

(Collectively referred to as “Objects”)

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

## Net Proceeds

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

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

## Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Capital Expenditure for Plant and Machineries	613.00
2.	Repayment of Debt	1000.00
3.	Working Capital	3400.00
4.	General Corporate Purposes	[●]
Total utilization of net proceeds		[●]

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

Sr. No	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoters					
1.	Vaibhav Shah	90,34,700	60.00	90,34,700	[●]
2.	Shivani Rajpurohit	60,22,948	40.00	60,22,948	[●]
	TOTAL (A)	1,50,57,648	100.00%	1,50,57,648	[●]
(ii) Promoter Group					
3	Pravinaben Shah	100	Negligible	100	[●]
4	Shivlal Rajpurohit	100	Negligible	100	[●]
	TOTAL (B)	200	Negligible	200	[●]
(iii) Public					
5	Raju Katariva	100	Negligible	100	-

6	Rajesh Patel	100	Negligible	100	-
7	Purushottam Agarwal	100	Negligible	100	-
	IPO	-	-	Up to 65,00,000	[●]
	<b>TOTAL (C)</b>	<b>300</b>	<b>-</b>	<b>[●]</b>	<b>[●]</b>
	<b>TOTAL (A+B+C)</b>	<b>1,50,58,148</b>	<b>100.00</b>	<b>[●]</b>	<b>100.00</b>

**Shareholding of Promoter / Promoter Group and Additional Top 10 Shareholders of the Company as at allotment:**

S. No.	Pre-Offer shareholding as at the date of Advertisement			Post-Offer shareholding as at Allotment			
	Shareholders	Number of Equity Shares	Share holding (in %)	At the lower end of the price band (₹[●])		At the upper end of the price band (₹[●])	
				Number of Equity Shares	Share holding (in %)	Number of Equity Shares	Share holding (in %)
Promoters							
1.	Vaibhav Shah	[●]	[●]%	[●]	[●]%	[●]	[●]%
2.	Shivani Rajpurohit	[●]	[●]%	[●]	[●]%	[●]	[●]%
Promoter Group							
3.	Pravinaben Shah	[●]	[●]%	[●]	[●]%	[●]	[●]%
4.	Shivlal Rajpurohit	[●]	[●]%	[●]	[●]%	[●]	[●]%
Top 10 Shareholders							
5.	Raju Katariya	[●]	[●]%	[●]	[●]%	[●]	[●]%
6.	Rajesh Patel	[●]	[●]%	[●]	[●]%	[●]	[●]%
7.	Purushottam Agarwal	[●]	[●]%	[●]	[●]%	[●]	[●]%

**Notes:**

- 1) The Promoter Group Shareholders are Ms. Pravinaben Shah and Mr. Shivlal Rajpurohit;
- 2) Pre-Offer shareholding as at the date of Advertisement shall be updated at the time of filing the Prospectus;
- 3) Based on the issue Price of ₹ [●] and subject to finalization of the basis of allotment.
- 4) As on the date of this Draft Red Herring Prospectus, we have total 7 (seven) shareholders, out of which only 3 are Public Shareholders.

**SUMMARY OF FINANCIAL INFORMATION**

Particulars	For the Period ended on October 31, 2024	For the year ended on March 31, 2024	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Share Capital (₹ in Lakhs)	1,505.81	2.71	2.14	1.00
Net worth (₹ in Lakhs)	2,285.02	1,756.87	858.63	0.64
Revenue from Operation (₹ in Lakhs)	5,745.54	6,127.53	876.80	-
Other Income (₹ in Lakhs)	9.60	41.32	2.84	3.09
Profit after Tax (₹ in Lakhs)	551.59	491.79	60.05	(0.11)
Earnings per share (Basic & diluted) (₹)	18.98	2026.03	350.77	(1.10)
Net Asset Value per Equity Share (Basic & diluted)	15.17	6,486.99	4,006.10	6.40
Total borrowings (₹ in Lakhs)	2,866.82	2,879.07	1,978.72	364.29

**QUALIFICATIONS OF AUDITORS**



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

#### SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

Particular	Nature of cases	No of outstanding cases	Amount involved
<b>Litigation Against Company</b>	Civil Litigation	1	118.96
<b>Litigations Filed by Our Company</b>	Civil Litigation	2	659.71
<b>Litigation Against the Director/Promoter of Our Company</b>	Criminal Litigation	2	Nil
	Civil Litigation	4	16.09
<b>Litigation Filed by The Director/Promoter of Our Company</b>	Criminal Litigation	2	103.78
	Civil Litigation	4	150.25

For more details, please refer chapter titled “Outstanding Litigation and Material Development” on page 182 of this Draft Red Herring Prospectus.

#### RISK FACTORS

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

#### SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

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

For detailed information of Contingent Liabilities of our Company, please refer chapter titled “Restated Financial Statement” beginning on page no. 139 of this Draft Red Herring Prospectus.

#### SUMMARY OF RELATED PARTY TRANSACTIONS

##### (A) List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Sr No	Name of Related Party	Relationship
1	Vaibhav Shah	Key Management Personnel
2	Shivani Rajpurohit	Key Management Personnel
3	Equinox Impex	Enterprise owned or significantly influenced by key management personnel

##### (B) Transaction with related Parties: -

(Rs. In Lakhs)

Particulars	Relation	31st October, 2024	2023-24	2022-23	2021-22
<b>Loan Accepted</b>					
Vaibhav Shah	Key Management Personnel	40.00	2.00	475.65	0.00
Shivani Rajpurohit	Key Management Personnel	153.50	37.00	26.00	0.00
<b>Loan Repaid</b>					
Vaibhav Shah	Key Management Personnel	5.00	250.00	246.00	0.00
Shivani Rajpurohit	Key Management Personnel	133.33	21.42	313.65	0.00
<b>Balance Outstanding</b>					
Vaibhav Shah	Key Management Personnel	61.21 Cr	26.21 Cr	274.21 Cr	44.56 Cr.
Shivani Rajpurohit	Key Management Personnel	47.00 Cr	26.83 Cr	11.25 Cr	298.90 Cr
<b>Sale of Goods</b>					
Equinox Impex	Enterprise owned or significantly influenced by	2674.89	4039.96	849.69	0.00

	key management personnel				
<b>Jobwork Sales</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	327.74	132.47	0.00	0.00
<b>Purchase of Capital Goods</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	0.00	0.00	135.65	0.00
<b>Purchase of Goods &amp; Payment of Expense</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	1107.32	295.08	208.01	0.00
<b>Balance Outstanding</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	920.06 Dr.	2103.92 Dr.	114.32 Dr.	20.83 Cr.
<b>Issue of Share Capital (Including Share Premium)</b>					
Vaibhav Shah	Key Management Personnel	901.88	0.34	486.03	0.60
Shivani Rajpurohit	Key Management Personnel	601.23	0.23	324.00	0.40
<b>Rent Income</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	1.40	0.00	0.00	0.00
<b>Rent Expense</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	1.66	0.00	0.00	0.00

For detailed information on the related party transaction executed by our Company, please refer chapter titled “Restated Financial Statement” beginning on page 139 of this Draft Red Herring Prospectus.

## FINANCING ARRANGEMENTS

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

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

Sr. No	Name of Promoter	No of Equity Shares acquired in the last one year from the date of his Draft Red Herring Prospectus	Weighted Average Cost of Acquisition (in Rs)
1.	Vaibhav Shah	9018450	Nil
2.	Shivani Rajpurohit	6012115	Nil

## AVERAGE COST OF ACQUISITION

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

Sr. No	Name of Promoter	No. of Equity Shares held	Average Cost of Acquisition in ₹
1.	Vaibhav Shah	90,34,700	8.04

2.	Shivani Rajpurohit	60,22,948	8.04
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#### DETAILS OF PRE-ISSUE PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus 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 Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Name of Allottees	No. of Shares Allotted	Promoter/ Promoter Group
September 21, 2024	1,50,31,065	10	N.A	Consideration other than cash	Bonus Issue in the ratio of (555:1) i.e. 555 Equity Shares for 1 existing Equity Shares for Capitalisation of Reserves and Retaining interest of the Shareholders	Vaibhav Shah	90,18,750	Promoter
						Shivani Rajpurohit	60,12,315	Promoter

#### 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 Red Herring Prospectus, including the risks and uncertainties described below and the Financial Statements incorporated in this Draft Red Herring 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 92 and 171, respectively of this Draft Red Herring Prospectus, as well as the other financial and statistical information contained in this Draft Red Herring 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 Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, please refer to chapter titled “Forward-Looking Statements” beginning on page 13 of this Draft Red Herring 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 no. 139 of this Draft Red Herring Prospectus.*

### **INTERNAL RISK FACTORS:**

- 1. Company has filed the Draft Red Herring Prospectus dated January 16, 2025 with the SME Exchange of BSE Limited. Our Company has withdrawal the filed DRHP due to not received No objection certificate (NOC) for the Issue from our lender Bank namely State Bank of India.**

Our Company initially filed the Draft Red Herring Prospectus (DRHP) dated January 16, 2025, with the SME Exchange of BSE Limited in connection with its proposed public issue. As part of the regulatory requirements, our Company was required to obtain a No Objection Certificate (NOC) from our lender bank, State Bank of India (SBI), for proceeding with the Issue.

At the time of filing the DRHP, our Company had applied for the requisite NOC from SBI. However, as the NOC had not been received within the stipulated timeframe, our Company decided to withdraw the filed DRHP to ensure full compliance with regulatory and procedural requirements.

Subsequently, our Company has received the necessary NOC from State Bank of India, dated March 19, 2025.

Considering this development, and in accordance with the prescribed regulatory framework, our Company is now proceeding with the re-filing of the Draft Red Herring Prospectus with the SME Exchange of BSE Limited.

While we have addressed this particular challenge, our Company acknowledges that similar situations may arise in the future, where delays in obtaining necessary approvals, including lender NOCs or other regulatory clearances, could impact our timelines and overall planning. We remain committed to proactively managing such risks and ensuring a smooth and compliant execution of our proposed public issue.

**2. We have not yet placed orders in relation to the capital expenditure to be incurred for the proposed purchase of equipment / machineries. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment / machineries in a timely manner, or at all, the same may result in time and cost over-runs.**

As of October 31, 2024, the aggregate gross block value of our Company's property, plant, and equipment, including capital work in progress, was ₹2,938.71 lakhs. Our Company has a recurring capital expenditure requirement for the procurement of equipment essential for our business operations. Based on our current estimates, we propose to utilize ₹613.00 lakhs towards purchasing capital equipment. The specific number and nature of such equipment to be purchased by our Company and the details of our capital equipment is mentioned on page no. 68, 1) **Funding capital expenditure requirements for the purchase of equipment/machineries** in the chapter titled "Objects of the Issue" of this Draft Red herring Prospectus.

As of the date of this Draft Red Herring Prospectus, we have not yet placed any orders for the procurement of machinery, and all the machines proposed to be acquired are new. The validity of the quotations received is limited to 30 days.

Furthermore, we have not identified any alternate source of funding for this capital expenditure. Consequently, any failure or delay in raising funds through this Issue, coupled with potential changes in quotation prices, may result in cost escalations and delays in the implementation schedule. Such disruptions could adversely impact our business operations and growth plans.

**3. *Our Manufacturing Units are subject to inspection under the GPCB.***

We have got necessary approval from the Gujarat Pollution Control Board under section-25 of the Water (Prevention and Control Pollution) Act-1974, under Section-21 of the Air (Prevention and Control of Pollution) Act- 1981 and Authorization under rule 6(2) of the Hazardous and other wastes (Management and Transboundary movement) Rules-2016, framed under E(P) Act, 1986, subject to certain terms and conditions as mentioned in the concerned orders. Inspection proceedings are undertaken by the GPCB for our manufacturing plant at regular intervals for inspection in respect of the Discharge of Treated Effluent & Emission. If any lapse or default is found during inspection by GPCB, actions will be taken by GPCB against our company including closure of manufacturing units. If any such action taken by GPCB against our Company which will adversely affect our operations, financials positions and reputation of our Company.

It may be noted that in the month of August 2024, during the visit of the GPCB representatives, they have found the colour contaminated water and other waste materials was lying in the open space of the factory premises and they issued temporary closure notice and asked us comply with the GPCB norms. On compliances made by us and on submission of Rs.1.50 Lacs Bank Guarantee, they have removed the ban on our manufacturing unit in the month of August, 2024.

We are taking due care to comply with the conditions of the GPCB consent, we cannot assure you that no such incidents will take place in future. In the event of such event, our reputation, production, business and profitability will be adversely affected.

**4. *We have a limited operating history in manufacturing.***

We have a limited operating history in manufacturing. Established in year 2021, we started our manufacturing operation from year 2022 onwards. Certain of our competitors may have a longer operating history and more experience to us in the businesses in which we operate. We may be unable to understand the nuances of the industry given our short operating history, particularly demand and supply trends and customer trends. In the event we fail to understand the market operations and risks in connection with such operations, it may have an adverse impact on our business, prospects, financial condition and results of operations. Further, due to our limited

operating history, investors may not be able to evaluate our business, future prospects and viability. Also, see “Risk Factor - *We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures may adversely affect our business, financial condition and results of operations* hence, our market share, which could have an adverse effect on our business, results of operations, financial condition and future prospects” on page no 33.

While we believe we have the necessary experience and strong customer relationships, our business and Draft Red Herring Prospectus must be evaluated in light of the risks and challenges associated with being a new entrant in manufacturing.

**5. *Our operations are hazardous and could expose us to the risk of liabilities, loss of revenue and increased expenses.***

Our operations are subject to various hazards associated with the production of dyes and other products, such as the use, handling, processing, storage and transportation of some of the hazardous raw materials such as Vinyl Sulphone, HCl, Sodium Nitrite, H-Acid, Sodium Bi Carbonate, as well as accidents such as leakage or spillages of chemicals/Acid. Any mishandling of hazardous chemical and poisonous substances could also lead to fatal accidents. In addition, our employees operate heavy machinery at our manufacturing facilities and accidents may occur while operating such machinery. These hazards can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. As a result, claims of injury by employees or members of the public due to exposure, or alleged exposure, to the hazardous materials involved in our business may arise. Although the Company has not face such issue in past years but cannot assure for accuracy of such event in future.

Liabilities incurred as a result of any of the above events will have the potential to adversely impact our financial position. Events like these could result in liabilities, or adversely affect our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance. It may be noted that, up till now we have never come across any such case.

**6. *We are subject to strict compliance of the quality and use of our products. Any deviation of the quality not as per the specification of the customers may harm our reputation and/or have an adverse impact on our sales, revenue and profitability.***

We are exposed to the claims in relation to the quality and use of our products. In particular, the slight variation in the quality of our products will affect the production process of our customers. Though, we are taking utmost care about the quality of our products by using inhouse testing facility at each and every required stage in manufacturing process, however there is no assurance that product quality will be maintained for each and every product. Our customer may reject the goods and discontinue business relation with us. In case of rejection of our products, our reputation, business and profitability will be adversely affected. Although the Company has not face such issue in past years but cannot assure for accuracy of such event in future. While the Company takes proactive measures to mitigate risks, absolute assurance against such occurrences cannot be provided.

**7. *We operate in a heavily regulated sector which requires strict compliances and our operations are subject to environmental, health and safety Regulations.***

We are engaged in the business of manufacturing of dyes. The dyes manufacturing process is associated with the significant risks of environment and safety, which is subject to various laws and regulations, including in relation to safety, health and environmental protection. These regulations govern discharge of pollutants into air and water, noise levels, storage, handling and disposal of waste materials, employee exposure to hazardous substances and other aspects of our manufacturing operations which may also cause industrial accidents, fire, damage to our and third-party property and/or, environmental damage. Under these laws and regulations, we are required to control the use of as well as restrict the discharge or disposal of hazardous or environmentally objectionable products of our production process. we have installed the effluent treatment plant and also availed the membership of BEIL Infrastructure Ltd. (Formerly known as Bharuch Enviro Infrastructure Limited) for discharge of effluent treatment. While our Company believes that it has necessary controls and processes in place, if we breach or fail to comply with these laws and regulations, penalties or fines may be imposed on us, notice for closure of the unit may also receive from authorities and our directors and officers responsible for such breach or non-compliance. Further, our manufacturing licenses may be suspended, withdrawn or terminated in the event of such breach or noncompliance thereby disrupting our operations. In the event that these penalties or fines, be significant or should any of our



manufacturing licenses be suspended, withdrawn or terminated, our business operation and financial performance will be adversely affected, and such event would also temporarily suspend the production reduce our manufacturing capacity which could adversely affect our business, results of operations and reputation. Also, any environmental damages could increase the regulatory scrutiny and result in enhanced compliance requirements including on use of materials and effluent treatment which would, amongst others, increase the cost of our operations. Although the Company has not faced such issues in the past, it cannot guarantee that similar events will not occur in the future. While the Company takes proactive measures to mitigate risks, absolute assurance against such occurrences cannot be provided.

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

There have been instances of delay in filing of PF returns, ESI Returns, GST returns in the past 3 years which were due to initial technological issue with GST portal, limited time frame for staff to align with the amendments in the initial years and multiple clarifications issued by the GST authorities. A wrong filing of GST return can lead to huge penalties and interest. Therefore, reconciliation and checking of returns before submitting them is necessary as there is no opportunity to make any changes afterward. Hence, there were delays in filing of GST returns in order to include correct inputs from all stakeholders involved and make them error free. There were also some delays in payment of Tax Deducted at Source (TDS) primarily due to technical glitches on the portal. Similarly, there were also some delays in payment of Provident Fund (PF) returns and delay in Payment of Professional Tax. There can be no assurance that such delays may not arise in future. There is a possibility of financial penalties being imposed on us by the relevant Government authorities, which may have a material adverse impact on our cash flows and financial condition. The details of delay filling by the company are as under:

**Delay in the filling of GST Returns is as under:**

Sr. No.	Month of Return	Due date of filing	Actual date of filling and payment	Delay Days
<b>DETAILS OF GST Filling GSTR-1</b>				
1.	Jul-21	11/08/2021	02/09/2021	22
2.	Aug-21	11/09/2021	27/09/2021	16
3.	Apr-23	11/05/2023	15/05/2023	4
4.	Jun-23	11/07/2023	20/07/2023	9
5.	Feb-24	11/03/2024	12/03/2024	1
6.	Aug-24	11/09/2024	14/09/2024	3
<b>DETAILS OF GST Filling GSTR-3B</b>				
1.	Jul-21	20/08/2021	02/09/2021	13
2.	Aug-21	20/09/2021	27/09/2021	7
3.	Feb-22	20/03/2022	21/03/2022	1
4.	Mar-22	20/04/2022	22/04/2022	2
5.	Apr-22	20/05/2022	23/05/2022	3
6.	Jun-22	20/07/2022	28/07/2022	8
7.	Oct-22	20/11/2022	03/12/2022	13
8.	Jan-23	20/02/2023	22/02/2023	2
9.	Mar-23	20/04/2023	21/04/2023	1
10.	May-23	20/06/2023	21/06/2023	1
11.	Jun-23	20/07/2023	26/07/2023	6
12.	Aug-23	20/09/2023	30/09/2023	10
13.	Sep-23	20/10/2023	21/10/2023	1
14.	Oct-23	20/11/2023	24/11/2023	4
15.	Nov-23	20/12/2023	23/12/2023	3
16.	Mar-24	20/04/2024	11/5/2024	21
17.	Apr-24	20/05/2024	31/05/2024	11
18.	May-24	20/06/2024	29/06/2024	9
19.	Jun-24	20/07/2024	26/07/2024	6
20.	Dec-24	22/01/2025	25/01/2025	3

21.	Jan-25	20/02/2025	21/02/2025	1
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**Delay in the filling of PF Returns is as under:**

Sr.No.	Month of Return	Due date of filing Return	Actual date of filing and payment	Delay Days
1.	Jul-24	15/08/2024	09/09/2024	25
2.	Aug-24	15/09/2024	30/09/2024	15
3.	Jan-25	15/02/2025	21/02/2025	6

**Delay in the filling of TDS Returns is as under:**

Sr. No.	Month of Return	Due date of filing Return	Actual date of filing and payment	Delay Days
1.	June 2023	31-Jul-23	16-Sep-23	47
2.	March 2024	15-May-24	31-May-24	16
3.	June 2024	31-Jul-24	01-Aug-24	1

**Delay in the filling of Professional Tax Returns is as under:**

Sr. No.	Month of Return	Due Date of Payment & Return Filing	Payment Date & Return Filing	Delay Days
1.	Apr-23	15-05-2023	24-06-2023	40
2.	May-23	15-06-2023	24-06-2023	9
3.	Jun-23	15-07-2023	26-07-2023	11
4.	Jul-23	15-08-2023	20-06-2024	310
5.	Aug-23	15-09-2023	20-06-2024	279
6.	Sep-23	15-10-2023	20-06-2024	249
7.	Oct-23	15-11-2023	20-06-2024	218
8.	Nov-23	15-12-2023	20-06-2024	188
9.	Dec-23	15-01-2024	20-06-2024	157
10.	Jan-24	15-02-2024	20-06-2024	126
11.	Feb-24	15-03-2024	20-06-2024	97
12.	Mar-24	15-04-2024	20-06-2024	66
13.	Apr-24	15-05-2024	12-07-2024	58
14.	May-24	15-06-2024	12-07-2024	27
15.	Jul-24	15-08-2024	23-09-2024	39
16.	Aug-24	15-09-2024	23-09-2024	8
17.	Dec-24	15-01-2025	23-01-2025	8
18.	Jan-25	15-02-2025	20-02-2025	5
19.	Feb-25	15-03-2025	22-03-2025	7

**9. *We have not deducted and deposited Provident Fund (PF) and Employees State Insurance (ESI) amount with the Authorities***

Provident Fund (PF) and Employee State Insurance (ESI) became applicable to our Company from April 2023. However, the Company did not deduct or deposit the applicable PF and ESI contributions until July 2024, when it commenced compliance with these statutory requirements. As a result, the PF and ESI amounts for the period from April 2023 to June 2024 were neither deducted from employees nor deposited with the relevant authorities.

While the Company has not received any notice or intimation from the authorities regarding this lapse, while the Company is committed to ensuring regulatory compliance, there is no assurance that such actions will not be initiated in the future. Non-compliance with statutory obligations may lead to financial penalties, which could materially impact our cash flows, financial condition, and profitability. Our Company has not received any notice or intimation for the same, but cannot assure that they will not take any action against it.

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

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

(Rs. In Lacs)

Particulars	For the period ended on 31 October, 2024	For the period ended on 31 <sup>st</sup> March		
		2024	2023	2022
Net Cash Generated from Operating Activities	217.41	(1,051.91)	166.28	(10.34)

For Further detail on the Cash Flow of the Company, please refer Chapter titled “Restated Financial Statement” on page no. 139 of the Draft Red-herring Prospectus.

**11. Our success is based on the efficient working of Testing Laboratory Section.**

We have in-house laboratory in our factory premises for testing of finished products, which keeps track of quality control of our products. All products which are dispatched from the factory premises are inspected and tested by our in-house laboratory. Further, quality check is done at every stage of manufacturing to ensure the adherence to desired specifications. Since, our Company is dedicated towards quality of products, processes and inputs; we get repetitive orders from our buyers, as we are capable of meeting their quality standards, which enables us to maintain our brand image in the market. Over and above these, in our testing work/quality control is also carried on continuous basis to develop new products at reasonable cost. For further detail on Quality Control (QC) Process on page no. 101 in the chapter titled “Business Overview” of the Draft Red Herring Prospectus. There can be no assurance that a new product will be commercially successful. Generally, our Testing Section is working efficiently, however we cannot be sure that in future our Testing Section work efficiently and delivered good results/ performance. In such event, our business, revenue and profitability will be adversely affected.

**12. A shortage or non-availability of utilities like electricity, fuel or water may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.**

Our manufacturing operations require a significant amount and continuous supply of utilities like electricity, fuel and water and any shortage or non-availability of any of this basic necessity may adversely affect our operations. The production process of certain products, as well as the storage of certain raw materials and products in temperature-controlled environments requires significant power. We currently source our water requirements from GIDC and local body water supply and water tankers and depend on state electricity boards for our energy requirements. Although we have one diesel generators to meet exigencies at our production facilities, we cannot assure you that our facilities will be operational during power failures. Any failure on our part to obtain alternate sources of electricity, fuel or water, in a timely manner, and at an affordable cost, may have an adverse effect on our business, results of operations and financial condition. Although the Company has not faced such issues in the past, it cannot guarantee that similar events will not occur in the future. While the Company takes proactive measures to mitigate risks, absolute assurance against such occurrences cannot be provided.

**13. Our Company has filed following RoC forms and returns with factual inaccuracy and irregularly.**

In relation to the allotment dated August 16, 2022 of 10,021 Equity Shares at a price of Rs. 7085/- (Face value is Rs. 10/- Each with premium of Rs. 7075/- per Share) per Equity Shares on a Preferential Basis (Conversion of Loan), there is a factual inaccuracy in the form PAS-3 and attached Board Resolution in it. As per resolution attached in the said form the company has allotted 10,021 equity shares at a premium of Rs. 7075/- per share and in PAS-3 it is mentioned the company has allotted shares at a premium of Rs. 7074.41/- per share. the company had obtained valuation report as on June 30, 2022 indicating valuation of Rs. 7085 per share. The share premium account as per ledger shows premium of Rs. 7075 per share.

In relation to allotment dated August 22, 2022 of 1,412 Equity shares at a price of Rs. 7085/- (Face value is Rs. 10/- each with premium of Rs. 7075/- per Share) Per Equity Shares on a Preferential Basis (Conversion of Loan), there is a factual inaccuracy in the form PAS-3 and attached Board Resolution in it. As per resolution attached in the said form the company has allotted 1,412 equity shares at a premium of Rs. 7075/- per share and in PAS-3 it is mentioned the company has allotted shares at a premium of Rs. 7072.15/- per share. the company had obtained

valuation report as on June 30, 2022 indicating valuation of Rs. 7085 per share. The share premium account as per ledger shows premium of Rs. 7075 per share.

In absence of Challan for the previous years, we are unable to comment on the delay filing of forms with the Registrar of Companies within the time prescribed in the Companies Act, 2013. However, from the data which was available to us, below is the list of forms which has been filed after prescribed time under the provision of the companies act, 2013. Our Company has paid requisite late fees for such filings. The details of ROC Late Filings are as follows:

Sr. No.	Form	Event	Date of Board Meeting/ General Meeting	Due Date	Date of Filing
1.	MGT-14	To avail financial facilities, unsecured loan from the directors with an option to convert loan to equity.	04/04/2022	Within 30 days of Passing the special resolution	20/12/2024
2.	INC-27	Conversion of company from Private Limited company to Public Limited Company.	08/10/2024	within 15 days of passing the special resolution	26/10/2024
3.	ADT-1	Appointment of Arijeet Gandhi & Associates as Statutory Auditor for five years from April 01, 2022 to March 31, 2027	30/09/2022	within 15 days of the AGM	27/01/2025

As stated above our Company also in the past have made delay in filings of some RoC forms as per the stipulated timelines prescribed under the Companies Act, 2013. While the Company has not received any notice or intimation from the authorities/RoC regarding these lapses, while the Company is committed to ensuring regulatory compliances, there is no assurance that such actions will not be initiated in the future. Non-compliance with statutory obligations may lead to financial penalties, which could materially impact our cash flows, financial condition, and profitability.

**14. *Our business depends on our manufacturing facility and the loss of or shutdown of our manufacturing unit on any grounds could adversely affect our business or results of operations.***

Our manufacturing facility is subject to operating risks, such as breakdown or failure of equipment, interruption in power supply or processes, shortage of raw materials, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, strikes, lockouts, severe weather, industrial accidents, our inability to respond to technological advances, emerging industry standards & practices in the industry and the need to comply with the directives of relevant government authorities including GPCB. The occurrence of any of these events could significantly affect our operating results, and the loss or shutdown of operations at our manufacturing facility will have a material adverse effect on our business, financial condition and results of our business. Although the Company has not faced such issues in the past, it cannot guarantee that similar events will not occur in the future. While the Company takes proactive measures to mitigate risks, absolute assurance against such occurrences cannot be provided.

**15. *We may be unable to attract and retain employees with the requisite skills, expertise and experience, which would adversely affect our operations, business growth and financial results.***

We rely on the skills, expertise and experience of our employees to provide continuous and quality products to our clients. For instance, we require experienced employee to carry out quality checks and inspections at all stages of the manufacturing process of our products. The quality assurance team carries out frequent checks on the process and product specifications as per our quality assurance plans, prepared and issued by the technical team to ensure that the same meets industry standards. Our employees may terminate their employment with us prematurely and we may not be able to retain them. Although the Company has not faced such issues in the past, it cannot guarantee that similar events will not occur in the future

If we experience any failure to attract and retain competent personnel or any material increase in manpower costs as a result of the shortage of skilled manpower, our competitiveness and business would be damaged, thereby adversely affecting our financial condition and operating results. Further, if we fail to identify suitable replacements of our departed staff, our business and operation could be adversely affected and our future growth

and expansions may be inhibited. To know about the existing manpower of the Company, please refer page no. 108, Human Resources, in the chapter titled “Business Overview” in the Draft Red Herring Prospectus.

**16. The Company is dependent on a few suppliers for purchases of product/service. The loss of any of these large suppliers may affect our business operations.**

Our top ten suppliers contribute 85.40%, 62.08 and 81.08 % of our total purchase of our Company for the period ended March 31, 2023, March 31, 2024 and stub period ending October 31, 2024 respectively based on restated financial statement. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seeking new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time. Further there is no conflict of interest between the suppliers of raw materials or third-party service providers (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel and Directors of our company. The details of top 1, top 5 and top 10 suppliers are given here below:

(Rs. In Lacs)

Year	Top 1 Supplier		Top 5 Suppliers		Top 10 Suppliers	
	Amount	% of total purchases	Amount	% of total purchases	Amount	% of total purchases
<b>For the Period ended on October 31, 2024</b>	1107.32	23.17%	3211.92	67.20%	3875.15	81.08%
<b>Fiscal 2024</b>	597.32	11.96%	2090.57	41.88%	3099.15	62.08%
<b>Fiscal 2023</b>	250.83	23.30%	717.19	66.62%	919.31	85.40%

Note: Our production has been started from the Fiscal 2022-23 hence, there is no Purchase in the fiscal 2021-22 i.e. First Financial year

**17. We are dependent on third party transportation service providers for delivery of raw materials from suppliers to us and delivery of finished products to our customers and business associates. Any failure on part of such transport service providers to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.**

The Manufacturing of Dyes is our main activities, we purchase the raw materials (Chemical, Resins etc.) from the market and manufacture dyes in our factory and sale the same in the market, our success depends on the smooth supply and transportation of raw materials from our suppliers to our factory premises and supply of dyes manufactured in our factory to our buyers/clients, both of which are subject to various uncertainties and risks. In addition to this, the finished products 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. We have not entered in to any agreement with any of the transport service providers. Any failure to maintain a continuous supply of raw materials to our manufacturing unit and finished products 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. Although the Company has not faced such issues in the past, it cannot guarantee that similar events will not occur in the future. For further detail please refer page no 104, Logistics in the Chapter titled “Business Overview” in the Draft Red Herring Prospectus.

**18. Our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.**

We derive a significant portion of our revenue from key customers. The table below sets forth our revenue derived from our top One (1), top five (5) and top ten (10) customers for the Seven months period ending October 31, 2024, Fiscal 2024 and Fiscal 2023 respectively and its percentage of revenue from operations are given below.

(Rs. In Lacs)

Period	Top 1 Customer		Top 5 Customers		Top 10 Customers	
	Amount	% To the total Revenue	Amount	% To the total Revenue	Amount	% To the total Revenue
<b>For the Period ended</b>	3002.63	52.26%	5708.26	99.35%	5745.54	100%

on October 31, 2024						
Fiscal 2024	4172.42	68.09%	5761.34	94.02%	6116.62	99.82%
Fiscal 2023	849.69	96.91%	876.80	100%	876.80	100%

Note: Our production has been started from the Fiscal 2022-23 hence, there is no Revenue in the fiscal 2021-22 i.e. First Financial year.

The loss of any one or more of such key customers for any reason including due to failure to negotiate acceptable terms of purchase order, contract renewal, negotiations, disputes with customers, adverse change in the financial condition of such customers, including due to possible bankruptcy or liquidation or other financial hardship, merger or decline in their sales, reduced or delayed customer requirements, or work stoppages could have an adverse effect on our business, results of operations and financial condition.

**19. *Our business is highly dependent on machineries and any disruption or failure of our machineries may affect our operations.***

We believe that our plant and machineries play a key role in helping us effectively manage our entire production capacity. Our business is significantly dependent on the efficient and uninterrupted operation of our machineries. Our operations are vulnerable to interruption by events beyond our control such as fire, earthquake, power loss, telecommunications or internet failures, terrorist attacks and computer viruses. A significant system failure could adversely affect our ability to manage overall operations, thereby affecting our ability to deliver our products to our clients, affecting our reputation and revenues. If such interruption is prolonged, our business, operations, financial condition and results of operations may be materially and adversely affected. Our operating efficiency may decline, and our growth may suffer if our technology systems are unable to handle additional volume of our operations as we grow. The cost of upgrading or implementing new equipment or expanding their capacity could be significant and could adversely affect our business, operations, financial condition and results of operations. Although the Company has not faced such issues in the past, it cannot guarantee that similar events will not occur in the future. For further details on the Plant and Machineries owned by the Company, please refer page no 104, of the chapter titled “Business Overview” in the Draft Red Herring Prospectus.

**20. *The proprietorship firm Viz Equinox Impex is engaged in the same line of activity.***

The Proprietorship firm of our promoter and Managing Director, namely “Equinox Impex”, is engaged in the line of business similar to our Company. There are no non- compete agreements between our Company and such Promoter Group Entity. We cannot assure that our Promoter will not favour the interests of such entity over our interest or that the said entity will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company. Our Promoter Group / Group Company is in the business of manufacturing and trading of Dyes which can be considered as similar line of business as of our Company. We have not entered into any non-compete agreement with the said entity. As a result, conflicts of interests can arise on account of common suppliers / customers and in allocating business opportunities amongst our Company and our Promoter Group entity in circumstances where our respective interests diverge. For further details on other promoter entity, please refer page no. 135, Our Promoter Groups, in the chapter titled “Our Promoters and Promoters Group” in Draft Red Herring Prospectus.

**21. *Any fluctuations in prices of raw materials or shortage in supply of raw material for manufacturing our products, could adversely impact our business.***

Our company relies heavily on various raw materials for manufacturing our Dyes products, making us vulnerable to price increases and availability issues. Since we have not executed any agreement with our supplier for the supply of raw materials, we purchase raw materials on an order-by-order basis. Any increase in the prices or shortage of major raw materials could increase cost of our production and affect our business and profitability adversely. If we are unable to pass these cost increases onto consumers due to competition or other factors, our profitability could be adversely affected. Although the Company has not faced such issues in the past, it cannot guarantee that similar events will not occur in the future.

**22. *We have not entered into long-term contracts with our major customers and we operate on the basis of purchase orders, which could adversely affect our revenues and profitability.***

We get sales lead generally by our continuing relationships with our customers. We do not have enter in to any long-term contract with our customers. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of order by, a



major customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our business and which will revenues, cash flows and operations. Although we believe that we have satisfactory business relations with our customers and have received continued business from them in the past, but we cannot assure you that the same will continue in the years to come and may affect our revenues and profitability adversely. Although the Company has not faced such issues in the past, it cannot guarantee that similar events will not occur in the future.

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

Our operations are subject to risks inherent in Dyes manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Our significant insurance policies consist of, among others, insurance policy for our factory premises in respect of building, stock & plant & machinery, workmen Compensation and Burglary insurance.

Our insurance may not be adequate to completely cover any or all of our risks and liabilities. Further, there is no assurance that the insurance premiums payable by us will be commercially viable or justifiable. Accordingly, our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability.

We cannot assure you that, in the future, any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. We have claimed the insurance of ₹ 55.63 Lakhs in the year 2023. The insurance claim was accepted in part and the company had received the insurance claim of ₹ 26.97 Lakhs. Further, an insurance claim once made could lead to an increase in our insurance premium, result in higher deductibles and also require us to spend towards addressing certain covenants specified by the insurance companies. We had no insurance claims that were receivable in last three Fiscals.

To the extent that we suffer loss or damage as a result of events for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or the amount received pursuant to an insurance claim, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

**24. *Our international operations are subject to many uncertainties and we are exposed to foreign currency exchange rate fluctuations.***

Our part of the revenue consists of the foreign currency also. We are always subject to risks inherently associated with international operations, including risks associated with foreign currency exchange rate fluctuations, which may cause volatility in our reported income, and risks associated with the application and imposition of protective legislation and regulations relating to import or export or otherwise resulting from foreign policy or the variability of foreign economic conditions. Any fluctuations in foreign currency exchange rates may have direct impact on our profits, results of operations and cash flows and consequently on our business condition and profitability. We have not entered into any hedging arrangements to account for any adverse changes to the foreign currency exchange rate. Although the Company has not faced such issues in the past, it cannot guarantee that similar events will not occur in the future.

**25. *Our company has been converted in to public limited Company on November 11, 2024, any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation.***

Our company has been converted in to Public Limited Company on November 11, 2024. Prior to the conversion, no strict compliances were applicable to us. However, consequent to conversion, our Company is required to observe compliance with various provisions pertaining to public limited companies of the Companies Act 1956/2013. Though our Company will take due care to comply with the provisions of the Companies Act and other applicable laws and regulations. In case of our inability to timely comply with the requirements or in case of any delay, we may be subject to penal action from the concerned authorities which may have an adverse effect on our financial and operational performance and reputation.

**26. *The requirements of being a public listed company may strain our resources and impose additional requirements.***

Our Company has no experience as a public listed company or with the increased scrutiny of its affairs by shareholders, regulators and the public at large that is associated with being a public listed company. As a public company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted public company. Our Company will also be subject to the provisions of the listing related compliances which require us to file unaudited financial results on a half yearly basis. In order to meet our Company's financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

**27. *Our Registered office and factory premises are on long lease basis from GIDC.***

Our Registered Office is located at C-54, GIDC, Sayakha, Bharuch, Gujarat-392140, India, Gujarat. The registered office and factory premises are not owned by us. Our company has taken this premises on lease basis for a period of 99 years w.e.f. March 28, 2014 from Gujarat Industrial Development Corporation. If we don't comply with the any of the terms and conditions of the Lease Agreement, we may require to vacate the registered office and factory premises. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability. Further, there is no conflict of interest between the lessor of the immovable properties and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and the Subsidiary/ Group Companies and its directors.

**28. *Our company avails credit facilities from the State Bank of India, as per sanction terms there are certain restrictive covenants imposed on the issuer company.***

We have availed Credit Facility in the form of Term Loan as on February 28, 2025 of Rs. 1294.27 Lakhs and working capital loan of Rs. 1386.27 Lakhs from State Bank of India, there are certain restrictions and conditions on the issuer company and the company had accepted all the terms and conditions of sanction letter. as a part of the conditions, during currency of the Bank's credit facilities, change of management should be done after prior approval from the bank, bank will have the option of appointing nominee on the Board of the directors of the Company and without bank's prior permission Effect any change in the capital structure, formulate any scheme of expansion/ Modernization/ diversification, Declare Dividend for any year, effect any drastic change in the management set up, change in the remuneration payable to directors, These covenants may have an adverse effect on the functioning of our Company.

**29. *Our Company, its Promoters, its directors and its group Companies are involved in litigation proceedings that may have a material adverse outcome.***

There are outstanding legal proceedings involving our Company, its Promoters, its Directors and its Group Companies. These proceedings are pending at different levels of adjudication before various courts.

A summary of outstanding litigation proceedings involving our Company, its Promoters, its Directors and its Group Companies as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in lakhs)

Particular	Nature of cases	No of outstanding cases	Amount involved
<b>Litigation Against Company</b>	Civil Litigation	1	118.96
<b>Litigations Filed by Our Company</b>	Civil Litigation	2	659.71
<b>Litigation Against the Director/Promoter of Our Company</b>	Criminal Litigation	2	Nil
	Civil Litigation	4	16.09
<b>Litigation Filed by The Director/Promoter of Our Company</b>	Criminal Litigation	2	103.78
	Civil Litigation	4	150.25

We may be required to devote management and financial resources in the defense or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition. For further details, please refer to the section ***“Outstanding Litigation and Material Developments”*** beginning on page no. 182 of Draft Red Herring Prospectus.

**30. *Our Promoters/Directors have issued personal guarantees and/or mortgaged their property in relation to debt facilities availed by us, which if revoked, may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Our Promoters have provided their personal guarantees and/or mortgaged their property in relation to our secured debt facilities availed from State Bank of India. In the event any of these guarantees are revoked or mortgaged properties are moved against, then the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. While we have not faced any revocation of such guarantees in the past, if any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. Further we may not be successful in procuring alternative guarantees satisfactory to the lenders and as a result, may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition. For further details, see ***“Financial Indebtedness”*** on page No. 178. of Draft Red Herring Prospectus.

**31. *Our Promoter and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

Post this Issue, our Promoter and Promoter Group will collectively own [●] % of our equity share capital. As a result, our Promoter, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.


**32. *We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.***

Although, we have obtained all material approvals required to carry on our business activities as on the date of this Draft Red Herring Prospectus, most of these approvals are granted for a fixed period of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any or all such permits or approvals in the time-frame anticipated by us or at all.

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





We have our corporate logo in the name and style of  but the same is not registered with the Trade Marks and patents Authority. We have applied for registration of the same in Class 2 with the Trade Marks and patents Authority and the current status is Formalities Chk Pass by the Trade Mark Authority. We operate in an extremely competitive environment, we are dealing in the business of manufacturing of Dyes, where name and reputation has much more value, we have created our image and reputation and recognition among our buyers, which is a significant element of our business strategy and success. Currently, our logo is not Registered with the Authority, we have applied for its registration with Trade Marks and patents 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 and logo also. For further details on Intellectual Properties, please see page no. 190 in the chapter “Government and other Statutory Approval” of this Draft Red Herring Prospectus.

**34. *We are dependent upon the experience and skill of our promoter, management team and key managerial personnel and senior management personnel. Loss of our Promoter or our inability to attract or retain such qualified personnel, could adversely affect our business, results of operations and financial condition.***

We believe that our Promoters have played a key role in the development of our business and we benefit from their industry knowledge and expertise, vision and leadership. Our Promoters have strong operational knowledge, good relationships with our clients and a successful track record of executing growth plans. In addition to our Promoter, our key management and senior management team includes qualified, experienced and skilled professionals who possess requisite experience across various aspects of our business. We believe the stability of our management team and the industry experience brought on by our individual Promoters enables us to continue to take advantage of future market opportunities. We believe that our senior management team is well qualified to leverage our market position with their collective experience and knowledge in the dyes manufacturing business, to execute our business strategies and drive our future growth. For further detail on the experience and skill of our promoters and directors, key managerial personnel and senior management personnel, please refer page no 125 of the Chapter Titled “Our Management” in the Draft Red Herring Prospectus.

Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. The loss of the services of our key personnel or our inability to recruit or train sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

If we are unable to hire additional qualified personnel or retain them, our ability to expand our business may be impacted. Our Company’s profitability, financial condition and results of operations may also be impacted due to lack of experienced and talented workforce. As we intend to continue to expand our operations and develop new Countries, we will be required to continue to attract and retain experienced personnel. There can be no assurance that our competitors will not offer better compensation incentives and other perquisites to such skilled personnel.

**35. *We may not be able to successfully manage the growth of our operations and execute our growth strategies which may have an adverse effect on our business, financial condition, results of operations and future prospects.***

As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and implement an effective management information system. In order to fund our ongoing operations and future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources, including debt or equity. For further details on our strategies, see “***Our Business –Strategies***” on page no. 100 of Draft Red Herring Prospectus. Further, we will be required to manage relationships with a number of clients, suppliers, contractors, service providers, lenders and other third parties. We will need to further strengthen our internal control and compliance functions to ensure that we will be able to comply with our legal and contractual obligations and minimize our operational and compliance risks. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business. There can be no assurance that we will be able to successfully manage our growth, strategies or that our expansion plans will not adversely affect our existing operations and thereby have an adverse effect on our business, financial condition, results of operations and prospects.

Further, we could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, unavailability of human and capital resources, inability to develop adequate systems, getting necessary permissions from the concerned authorities, delayed payments or non-payments by clients, other unforeseen situations or difficulties may result in delay in the execution of our business in new segment as well

as new geographical area. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients.

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

We face significant competition in our business from the organized and unorganized units. We operate in a highly competitive business environment. Growing competition in the domestic market from domestic organized and unorganized players and/or the international players, we are subject to pricing pressures and require us to reduce the prices of our products in order to retain the existing customers and/or attract new customers, which may have a material adverse effect on our revenues and margins. Some of our competitors may be increasing the span of their services, their capacities and targeting the same services in which we are dealing at a lower price. There can be no assurance that we can continue to compete effectively with our competitors in the future, any failure to compete effectively may have an adverse effect on our business, financial condition and results of operations. In addition to this, as a result of the intense competition and accelerated innovation in the in the dyes Industry, our ability to achieve and maintain profitability depends on a number of factors, including our investment in assets-based module and development, expanding the manufacturing activities and the pricing levels of our competitors, some of which is beyond our control. If we fail to compete effectively in the future, our business and prospects could be materially and adversely affected.

**37. *Our business is working capital intensive involving relatively long implementation periods. We require substantial financing for our business operations. Our indebtedness and the conditions and restrictions imposed on by our financing arrangements could adversely affect our ability to conduct our business.***

As on the date of this Draft Red Herring Prospectus, we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans, from the Banks etc. This requires us to obtain financing through various means. As on October 31 2024, our total working capital borrowings stood at ₹ 1410.05 lakhs. We may incur additional indebtedness in the future. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and investors interest in the Company and could adversely impact our Equity Share price.

Furthermore, the objects of the Issue include full or part repayment and/or prepayment of certain outstanding secured borrowings availed by our company and also funding working capital requirements of our Company. For more information in relation to such management estimates and assumptions, please see “Objects of the Issue” on page no. 67 of Draft Red Herring Prospectus. Our working capital requirements may be affected due to factors beyond our control including force majeure conditions, delay or default of payment by our clients, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

The working capital requirement for the FY 2021-22, 2022-23, 2023-24, Seven months ending on October 31, 2024, 2024-25 and 2025-26. The working capital gap (WCG) has been met with an increase in the bank borrowing and capital and Internal cash Accruals of the Company.

(₹ in lakhs)

Particulars	31.03.20 22	31.03.20 23	31.03.20 24	31.10.20 24	31.03.20 25	31.03.20 26
	Audited	Audited	Audited	Audited	Projected	Projected
Raw Material	-	147.27	365.37	553.53	659.02	1000.00
Semi Finished Goods	-	234.47	535.92	583.12	665.66	1212.50
Finished Goods	-	-	154.97	187.65	328.32	500.00
Trade Receivables	-	140.14	2862.76	4699.42	4760.59	7250.00
Cash and Bank Balances	7.04	7.49	11.08	8.86	10.00	7.50
Short term loans and Advances	145.75	471.41	340.75	99.47	125.00	235.00
Other Current Assets	-	-	-	-	-	-
<b>total</b>	<b>152.79</b>	<b>1000.78</b>	<b>4270.85</b>	<b>6132.05</b>	<b>6548.59</b>	<b>10205.00</b>
<b>Less:</b>						
Trade Payables	-	762.64	1662.02	2925.64	2899.69	3200.00

other Current Liabilities	79.57	25.35	256.88	169.91	250.00	400.00
Other current Liabilities for capital expenses	56.19		18.39	1.99	2.00	5.00
short term provisions	-	-	133.15	117.73	250.00	300.00
<b>Total Liabilities</b>	<b>135.76</b>	<b>787.99</b>	<b>2070.44</b>	<b>3215.27</b>	<b>3401.69</b>	<b>3905.00</b>
Net Working Capital	17.03	212.79	2200.41	2916.78	3146.89	6300.00
Less: short term borrowings	-	180.32	1385.69	1410.05	1400.00	1400.00
Less: Unsecured Business Loans	-	-	-	-	-	-
Balance	17.03	32.47	814.72	1506.73	1746.89	4900.00
Financed through Capital and Internal Cash Accruals	17.03	32.47	814.72	1506.73	1746.89	1500.00
<b>Fund from IPO</b>				0.00		3400.00

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

Our Promoters' average cost of acquisition of Equity Shares in our Company is Rs.8.04 which is lower than the Issue Price which is proposed to be determined on a fixed price basis. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled "**Capital Structure**" on page no. 56 of this Draft Red Herring Prospectus.

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

Our Promoters 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 no. 92 and 135 respectively and the chapter titled "**Annexure 34 - Statement of Related Party Transactions**" on page no. 160 under chapter titled "Restated Financial Statements" beginning on page no. 139 of this Draft Red Herring Prospectus

**40. *We have unsecured loans from promoters, directors and their relatives, 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 October 31, 2024, we have unsecured loan of ₹108.21 lakhs from erstwhile promoters, directors, relatives of directors and Companies in which directors are interested or relatives of the directors are interested which is repayable on demand. Any demand from them 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 [●] of this Draft Red Herring Prospectus.

**41. *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 which are in compliance with Company Law and other applicable laws with our Promoter, Promoter Group, Directors and may continue to do so in future. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could have obtained better and more favourable terms than from transaction with related parties. Additionally, our company belief that all our related party transactions have been conducted on an arm's length basis, but we cannot provide assurance that we could have achieved more favourable 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-34**" *Related Party Transactions*" on page no. 160 of Restated Financial Information.

- 42. *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 no. 67 of this Draft Red Herring Prospectus.

- 43. *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.

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

The proposed fund requirement, for funding our working capital requirements, expansion and part repayment of debt, primarily, as detailed in the chapter titled “Objects of the Issue” beginning on page no. 67 of this Draft Red Herring Prospectus is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We, therefore, cannot assure that we would be able to execute our future plans/strategy within the estimated time frame.

- 45. *We have not independently verified certain data in this Draft Red Herring Prospectus.***

We have not independently verified data from the industry and related data contained in this Draft Red Herring 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.

- 46. *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 changed 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. The deployment of the funds as stated under chapter “Objects of the Offer” is at the discretion of our Board of Directors and will be subject to monitoring by an external independent agency appointed for the purpose. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “Objects of the Offer” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings. For further details, please see the section titled “Objects of the Issue” beginning on page no. 67 of this Draft Red Herring Prospectus.

- 47. *Any future issuance of Equity Shares may dilute the shareholding of the Investor or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***



Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire post-Issue paid-up share capital, held by our Promoters or other shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled “Capital Structure” beginning on page no. 56 of this Draft Red Herring Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

- 48. *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 had made good progress in establishing its name in the readymade garment segment. All such points have been considered in deciding the issue price of the Equity Shares. Please refer chapter titled “Basis for Issue Price” beginning on the page no 75 of the Draft Red Herring prospectus. The market price of our equity shares could be subject to change after the issue and may decline below the issue price.

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

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

- 50. *Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

- 51. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner or at all.***

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

- 52. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in



securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**53. *There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for the price at which it can sell, equity shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by the stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI. The percentage limit on circuit breakers is said by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchange does not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of the circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

## **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 no. 112 of this Draft Red Herring 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. *Major portion of 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 major portion 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 Book Running 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.

## SECTION - III –INTRODUCTION

### THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
<b>Issue of Equity Shares by our Company</b>	Upto 65,00,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹[●] Lakhs
<b>Of Which</b>	
<b>Market Maker Reservation Portion</b>	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs
<b>Net Issue to the Public*</b>	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs
<b>Of Which</b>	
<b>(A) QIB Portion</b>	Not more than [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs (not more the 50%)
<b>Of which</b>	
<b>(a) Anchor Investor Portion</b>	Not more than [●] Equity Shares of face value of ₹ 10.00/- each fully paid-up aggregating up to ₹ [●] lakhs
<b>(b) Net QIB Portion (assuming the anchor is fully subscribed)</b>	Not more than [●] Equity Shares of face value of ₹ 10.00/- each fully paid-up aggregating up to ₹ [●] lakhs
<b>Of which</b>	
<b>i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)</b>	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up aggregating up to ₹ [●] lakhs
<b>ii) Balance of QIB Portion for all QIBs including Mutual Funds</b>	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up aggregating up to ₹ [●] lakhs
<b>(B) Individual Investor Portion</b>	Not less than [●] Equity Shares of face value of ₹ 10.00/- each fully paid-up aggregating up to ₹ [●] lakhs
<b>(C) Non – Institutional Portion</b>	Not less than [●] Equity Shares of face value of ₹ 10.00/- each fully paid-up aggregating up to ₹ [●] lakhs
<b>Pre-and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,50,58,148 Equity Shares of face value of ₹10.00/- each
<b>Equity Shares outstanding after the Issue</b>	[●] 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 no. 67 of this Draft Red Herring Prospectus.

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

- (1) *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on November 11, 2024 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on November 14, 2024 pursuant to section 62(1)(c) of the Companies Act.*
- (2) *This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended. This Issue is being made by our company in terms of Regulation of 229 (2) and Regulation 253 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription. For further details, please refer to section titled “Issue Structure” beginning on page no. 213 of this Draft Red Herring Prospectus.*
- (3) *The SEBI ICDR Regulation, 2018 read with SEBI ICDR (Amendment) Regulations, 2025, permits the offer of securities to the public through the Book Building Process, which states that not less than 35% of the Net Offer shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and*

up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of shares in non-institutional investors' category the, allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations 2018 read with SEBI ICDR (Amendment) Regulations, 2025. Not more than 50% of the Net Offer shall be allotted to QIBs, subject to valid Bids being received at or above the Offer Price.

- (4) Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Issue Procedure" on page no. 218 of Draft Red Herring Prospectus.
- (5) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and Subject to the availability of shares in non-institutional investors' category, the allotment to Non-Institutional Investors shall be more than two lots which shall not be less than the minimum application size in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Further, SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual Investors applying in initial public offerings opening on or after May 1, 2022, where the Bid amount is up to ₹ 5,00,000 shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

## SUMMARY OF OUR FINANCIAL INFORMATION

### Annexure - 1

#### STANDALONE FINANCIAL STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amt. in Rs. Lakhs)

Particulars		Annx No	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>Shareholders' funds</b>					
a	Share capital	Annx-6	1,505.81	2.71	2.14	1.00
b	Reserves and surplus	Annx-7	786.65	1,763.41	868.82	-0.11
c	Share Application		-	-	-	-
<b>2</b>	<b>Non-current liabilities</b>					
a	Long-term borrowings	Annx-8	1,276.77	1,337.38	1,726.40	364.29
b	Other Non-Current Liabilities		-	-	-	-
c	Deferred Tax Liabilities (Net)	Annx-9	0.14	2.81	22.97	-
d	Long-term Provisions	Annx-10	0.77	0.66	0.09	-
<b>3</b>	<b>Current liabilities</b>					
a	Short-term borrowings	Annx-11	1,590.05	1,541.69	252.32	-
b	Trade payables	Annx-12				
	(A) total outstanding dues of micro enterprises and small enterprises; and		2326.59	423.69	134.30	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises		599.05	1238.33	628.34	-
c	Other current liabilities	Annx-13	171.90	275.27	241.47	135.76
d	Short-term provisions	Annx-14	117.73	133.15	-	-
	<b>TOTAL</b>		<b>8,375.46</b>	<b>6,719.11</b>	<b>3,876.85</b>	<b>500.94</b>
<b>II</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non-current assets</b>					
a	Property, Plant & Equipment	Annx-15				
i	Tangible assets		2,938.71	2,922.32	2,919.34	-
ii	Intangible Assets		-	-	-	-
ii	Intangible Assets under development		-	-	-	-
iv	Capital Work in Progress		-	-	-	347.90
	Less: Accumulated Depreciation		702.75	483.31	55.60	-
	Net Block		2,235.96	2,439.01	2,863.74	347.90
b	Non-Current Investments	Annx-16	-	-	-	-
c	Deferred Tax Asset	Annx-17	-	-	-	-
d	Long-term loans and advances	Annx-18	-	-	-	-
e	Other Non-Current Assets	Annx-19	7.45	9.25	12.33	0.25
<b>2</b>	<b>Current assets</b>					
a	Current Investments		-	-	-	-
b	Inventories	Annx-20	1,324.30	1,056.26	381.74	-
c	Trade receivables	Annx-21	4,699.42	2,862.76	140.14	-
d	Cash and cash equivalents	Annx-22	8.86	11.08	7.49	7.04
e	Short-term loans and advances	Annx-23	99.47	340.75	471.41	145.75
f	Other Current Asset		-	-	-	-
	<b>TOTAL</b>		<b>8,375.46</b>	<b>6,719.11</b>	<b>3,876.85</b>	<b>500.94</b>
			0.00	0.00	0.00	

## Annexure – 2

## STANDALONE FINANCIAL STATEMENT OF PROFIT &amp; LOSS AS RESTATED

(Amt. in Rs. Lakhs)

Sr. No.	Particulars	Annx No	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
I.	Revenue from operations	Annx-24	5,745.54	6,127.53	876.80	-
II.	Other income	Annx-25	9.60	41.32	2.84	-
III.	<b>Total Revenue (I + II)</b>		5,755.14	6,168.85	879.64	-
IV.	<b>Expenses:</b>					
	Cost of Material Consumed	Annx-26	4,693.03	5,265.58	948.13	-
	Changes in Inventories of Finished Goods	Annx-27	(79.88)	(456.42)	(234.47)	-
	Employee benefits expense	Annx-28	46.45	17.25	4.12	-
	Finance costs	Annx-29	165.74	242.18	18.84	0.01
	Depreciation and amortization expense	Annx-30	221.24	433.86	58.68	-
	Operating and Other expenses	Annx-31	38.56	61.54	1.32	0.10
	Total expenses		5,085.14	5,563.99	796.62	0.11
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		670.00	604.86	83.02	(0.11)
VI	Exceptional Items					
VII	<b>Profit before extraordinary items and tax</b>		670.00	604.86	83.02	(0.11)
VIII	Extraordinary items		-	-	-	-
IX	<b>Profit before tax (VII-VIII)</b>		670.00	604.86	83.02	(0.11)
X	Tax expense:					
	(1) Current tax	Annx-33	121.09	133.23	-	-
	(2) Deferred tax Asset/(Liabilities)	Annx-33	2.67	20.16	(22.97)	-
	(3) Less:- MAT Credit Entitlement			-	-	-
XI	<b>Profit/(loss) for the period from Continuing operations (VII-VII)</b>		551.59	491.79	60.05	-0.11
XII	Profit/(loss) from Discontinuing operations		-	-	-	-
XIII	Tax Expense of Discontinuing operations		-	-	-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-	-	-
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		551.59	491.79	60.05	(0.11)
XVI	Adjusted Earnings per equity share:					
	(1) Basic EPS (pre-Bonus)		18.98	2,026.03	350.77	(1.10)

## Annexure - 3

## STANDALONE FINANCIAL STATEMENT OF CASH FLOW AS RESTATED

(Amt. in Rs. Lakhs)

Sr. No.	Particulars	As at 31 <sup>st</sup> October , 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A.</b>	<b>Cash flow from Operating Activities</b>				
	Net Profit Before tax as per Statement of Profit & Loss	670.00	604.86	83.02	(0.11)
	Adjustments for :				
	Depreciation & Amortisation Exp.	219.44	430.78	55.60	-
	Income Tax Written Off	-	-	-	-
	Finance Cost	165.74	242.18	18.84	0.01
	<b>Operating Profit before working capital changes</b>	1,055.18	1,277.82	157.46	(0.10)
	<b>Changes in Working Capital</b>				
	Trade receivable	(1,836.66)	(2,722.62)	(140.14)	-
	Short term Loans and Advances	241.28	130.66	(325.66)	(145.75)
	Inventories	(268.04)	(674.52)	(381.74)	-
	Other Non-Current Assets	1.80	3.08	(12.08)	(0.25)
	Long term Loans And Advances	-	-	-	-
	Trade Payables	1,263.62	899.38	762.64	-
	Other Current Liabilities	(103.37)	33.80	105.71	135.76
	Short Term Provisions	(15.43)	133.15	-	-
	Long Term Provisions	0.11	0.57	0.09	-
	<b>Net Cash Flow from Operation</b>	338.50	(918.68)	166.28	(10.34)
	Less: Income Tax paid	121.09	133.23	-	-
	<b>Net Cash Flow from Operating Activities (A)</b>	217.41	(1,051.91)	166.28	(10.34)
<b>B.</b>	<b>Cash flow from investing Activities</b>				
	Investment in Subs	-	-	-	-
	(Purchase) of Fixed Assets (net)	(16.39)	(140.58)	(2,571.44)	(347.90)
	Movement in Other Non-Current Assets	-	-	-	-
	Sale of Fixed Assets (net)	-	137.60	-	-
	<b>Net Cash Flow from Investing Activities (B)</b>	(16.39)	(2.98)	(2,571.44)	(347.90)
<b>C.</b>	<b>Cash Flow From Financing Activities</b>				
	Proceeds From Share Application	-	-	-	-
	Proceeds from Issue of shares capital & Share Premium	-	400.31	810.02	1.00
	Short Term Borrowing (Net)	48.36	1,289.37	252.32	-
	Long Term Borrowing (Net)	(60.61)	(389.02)	1,362.11	364.29
	Pre Ipo Exp	(25.25)			
	Interest Paid	(165.74)	(242.18)	(18.84)	(0.01)
	<b>Net Cash Flow from Financing Activities (C)</b>	(203.24)	1,058.48	2,405.61	365.28
<b>D.</b>	<b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	(2.22)	3.59	0.45	7.04
<b>E.</b>	Opening Cash & Cash Equivalents at the beginning of the year	11.08	7.49	7.04	-
<b>F.</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>8.86</b>	<b>11.08</b>	<b>7.49</b>	<b>7.04</b>

## GENERAL INFORMATION

Our Company was incorporated as “Shlokka Dyes Private Limited” on July 09, 2021 under the provisions of Companies Act, 2013 with the Registrar of Companies, Central Registration Centre bearing Corporate Identification Number U24299GJ2021PTC124004. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to “Shlokka Dyes Limited” vide Special Resolution dated October 08, 2024 and a fresh certificate of incorporation consequent to conversion was issued on November 11, 2024 by the Registrar of Companies, Central processing centre. The Corporate Identification Number of our Company is U24299GJ2021PLC124004. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter “History and Certain Corporate Matters” on page no. 122 of this Draft Red-herring Prospectus.

The Corporate Identification Number of our Company is U24299GJ2021PLC124004.

### Registered office of our Company

#### SHLOKKA DYES LIMITED

**Address:** Plot No-C/54, GIDC, Saykha, Saran, Bharuch, Vagra, Gujarat, India-392140

**Tel/Mob. No:** 9033441760

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

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

### ADDRESS OF REGISTRAR OF COMPANIES

#### Registrar of Companies

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

### Board of Directors of our Company

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

Sr No	Name	Designation	DIN	Address
1	Vaibhav Shah	Managing Director	06826565	B. No. 43, Galavilla Lotus, Gokuldham, Shantipura Circle, Sarkhej, Ahmedabad, Gujarat, India-382210
2	Shivani Rajpurohit	Executive Director	08820006	B. No. 43, Galavilla Lotus, Gokuldham, Shantipura Circle, Sarkhej, Ahmedabad, Gujarat, India-382210
3	Shivlal Purohit	Non-executive Director	07058683	31, Gala Lotus Villa, Gokuldham, Sanand, Sanathal, Ahmedabad, Gujarat, India-382210
4	Konark Patel	Non-executive Independent Director	10832659	7, Manmohan Park, Nr. Bhagyalaxmi society, Visnagar Road, Nr S.M.V.S. Temple, Unjha, Mahesana, Gujarat, India-384170
5	Meet Joshi	Non-executive Independent Director	10832784	H-1804, Elysium, Near vaishnodevi Circle, Adani Shantigram, Khodiyar, Ahmedabad, Gujarat, 382421-India

For further details of our directors, please refer chapter titled “Our Management” beginning on page no. 125 of this Draft Red Herring Prospectus.

### Company Secretary and Compliance Officer

#### Siddharth Gajra

Shlokka Dyes Limited

**Address:** Plot No-C/54, GIDC, Saykha, Saran, Bharuch, Vagra, Gujarat, India, 392140

**Tel/Mob. No:** +91 9033441760

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

**Email ID:** [cs@shlokkadyes.com](mailto:cs@shlokkadyes.com)



**Note:** Investors can contact our Company Secretary and Compliance Officer, the Book Running 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>Book Running Lead Managers to the Issue</b>	<b>Registrar to the Issue</b>
<b>Interactive Financial Services Limited</b> Address: Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India Tel No.: 079- 4908 8019 (M): +91-9898055647 Website: <a href="http://www.ifinservices.in">www.ifinservices.in</a> Email: <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a> Investor Grievance Email: <a href="mailto:info@ifinservices.in">info@ifinservices.in</a> Contact Person: Pradip Sandhir SEBI Registration No: INM000012856	<b>Bigshare Services Private Limited</b> Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra, India Tel No.: +91 22-62638200 Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> E-Mail: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Investor Grievance Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Contact Person: Mr. Asif Sayyed SEBI Reg. No.: INR000001385 CIN: U99999MH1994PTC076534
<b>Legal Advisor to the Issuer</b>	<b>Statutory and Peer Reviewed Auditor</b>
<b>Rahul Mahesh Barot</b> Address: 689/4523 G.H.B. Bapunagar Ahmedabad 380024, India. Tel No.: +917990133460, Email: <a href="mailto:barot.rahul07@gmail.com">barot.rahul07@gmail.com</a> Contact Person: Rahul Mahesh Barot Bar Council No.: G/1937/2018s	<b>M/s. PATEL &amp; PANCHAL</b> Chartered Accountants Address: 3rd Floor, Akshar Arcade, Opp. Memnagar Fire Station, Navarangpura, Ahmedabad, Gujarat, India-380 009 Phone No.: 079 40043054/ 26463054 Email: <a href="mailto:info@pandp.in">info@pandp.in</a> Contact Person: Hardik Panchal Firm Registration: 123744W Membership Number: 114164 Peer Review Registration Number: 014464
<b>Bankers to the Company</b>	<b>Bankers to the Issue and Refund Banker and Sponsor Bank</b>
<b>STATE BANK OF INDIA</b> Address: SME Law Garden Branch, Zodiac Avenue, Opp Commissioner's Bungalow, Law Garden, Ahmedabad, India-380006. Tel.: 079-26420278 Fax No.: 079-2640277 E-mail: <a href="mailto:sbi.60438@sbi.co.in">sbi.60438@sbi.co.in</a> / <a href="mailto:rmsme2.60438@sbi.co.in">rmsme2.60438@sbi.co.in</a> Website: <a href="http://www.sbi.co.in">www.sbi.co.in</a> Contact Person: Anand Kumar Designation: Relationship Manager (SME)	[•]
<b>Monitoring Agency</b>	
[•]	

**SYNDICATE MEMBER(s)**

No Syndicate Member have been appointed as on the date of this Draft Red Herring Prospectus.

## **DESIGNATED INTERMEDIARIES**

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

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided 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 it's updated from time to time.

### **Registered Broker**

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

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

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

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI ([www.sebi.gov.in](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 Book Running Lead Manager to the issue shall be undertaking all activities in relation to this issue. Hence, the statement of inter-se allocation of responsibilities among Book Running 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 ₹ 5,000 Lakhs. As the size of the Issue exceeds ₹ 5,000 Lakh, our Company has appointed [●] as the Monitoring Agency to monitor the utilisation of the Net Proceeds, in accordance with Regulation 262 of the SEBI ICDR Regulations. For details in relation to the proposed utilization of the proceeds from the Fresh Issue, please see “Objects of the Issue” on page 67 of this Draft Red Herring Prospectus.

### Appraising Entity

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

### Expert Opinion

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

Our Company has received a written consent from our Statutory Auditor and Peer Review Auditor, M/s. Patel & Panchal, Chartered Accountants, with respect to the Statement of Tax Benefits dated April 03, 2025 and with respect to their report on the Restated Financial Statements dated December 07, 2024 to include their name in this Draft Red Herring Prospectus, as required under Companies Act, 2013 read with SEBI (ICDR) Regulations, 2018 as “Expert”, defined in section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an “Expert” as defined under the U.S. Securities Act.

Further, our Company has received written consent dated December 05, 2024, from M/s. Bhavin R. Patel & Associates, Independent Chartered Engineer, to include their name as required under Section 26 (5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, in relation to the certification required for capacity utilization report dated December 12, 2024, certifying, inter alia, installed and actual capacity and list of plant and machinery.

Further, Our Company has also received written consent dated February 01, 2025 from the Practicing Company Secretary, namely M/s. B.S. Vyas & Associates, Practicing Company Secretary, to include their name in this Draft Red Herring Prospectus, as an “expert” as defined under section 2(38) and section 26(5) of the Companies Act, 2013 to the extent and in his capacity as a practicing company secretary in respect of their certificate dated February 01, 2025 for the ROC Search obtained from MCA and providing the list of delays/ non-filing/ non-compliance of the forms filed with ROC as applicable to us and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Further, Our Company has also received written consent dated December 07, 2024 from the Legal Advisor to the Issue, namely M/s. Rahul Mahesh Barot, Lawyers (Firm No/ Bar Council No. G/1937/2018), to include their name in this Draft Red Herring Prospectus, as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in his capacity as Legal Advisor to the Issue in respect of their certificate dated April 05, 2025 for the legal search obtained from different courts and authorities/departments and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

### Debenture Trustee

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

### Changes in Auditors during the Last Three Years

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

Particulars	Date of Appointment /Resignation	Reason for change
<b>M/s PATEL &amp; PANCHAL</b> Chartered Accountants Address: 333/334, C-Wing Akshar Arcade, Opp Memnagar Fire Station, Navrangpura, Ahmedabad, Gujarat-380009, India	August 29, 2023	Re-Appointment as statutory Auditor in AGM for a period of 5 years

Tel: +91 79-2646 3054/+91 79-4004 3054 Email: <a href="mailto:ca.patelpanchal@gmail.com">ca.patelpanchal@gmail.com</a> Contact Person: CA Hardik Panchal Firm Registration: 123744W Membership Number: 114164 Peer Review Registration Number: 014464		
<b>M/s PATEL &amp; PANCHAL</b> Chartered Accountants Address: 333/334, C-Wing Akshar Arcade, Opp Memnagar Fire Station, Navrangpura, Ahmedabad, Gujarat-380009, India Tel: +91 79-2646 3054/+91 79-4004 3054 Email: <a href="mailto:ca.patelpanchal@gmail.com">ca.patelpanchal@gmail.com</a> Contact Person: CA Hardik Panchal Firm Registration: 123744W Membership Number: 114164	June 15, 2023	Auditor appointed due to casual Vacancy
<b>M/s ARIJEET GANDHI &amp; ASSOCIATES</b> Chartered Accountants Address: 1005, Span Trade Center, Ashram Road, Ellisbridge, Ahmedabad, Gujarat, India-380006 Tel: 9979997107 Email: <a href="mailto:Ahd.office@karmallp.in">Ahd.office@karmallp.in</a> Contact Person: CA Arijeet Anilbhai Gandhi Firm Registration: 125076W Membership Number: 116766	June 06, 2023	Cessation due to resignation
<b>M/s ARIJEET GANDHI &amp; ASSOCIATES</b> Chartered Accountants Address: 1005, Span Trade Center, Ashram Road, Ellisbridge, Ahmedabad, Gujarat, India-380006 Tel: 9979997107 Email: <a href="mailto:Ahd.office@karmallp.in">Ahd.office@karmallp.in</a> Contact Person: CA Arijeet Anilbhai Gandhi Firm Registration: 125076W Membership Number: 116766	September 30, 2022	Re-Appointment as statutory Auditor in AGM for a period of 5 years
<b>M/s ARIJEET GANDHI &amp; ASSOCIATES</b> Chartered Accountants Address: 1005, Span Trade Center, Ashram Road, Ellisbridge, Ahmedabad, Gujarat, India-380006 Tel: 9979997107 Email: <a href="mailto:Ahd.office@karmallp.in">Ahd.office@karmallp.in</a> Contact Person: CA Arijeet Anilbhai Gandhi Firm Registration: 125076W Membership Number: 116766	July 12, 2021	Appointment as First Auditor of the Company

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

- The Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus shall be filed with SME Platform of BSE Limited ("BSE SME") situated at Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai - 400001, Maharashtra, India.
- A soft copy of Draft Red Herring 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 Red Herring Prospectus/ Red Herring Prospectus and Prospectus along with relevant documents shall be filed with SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.
- A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 & 32 of the Companies Act, 2013 will be delivered to the Registrar of

Companies, Ahmedabad, Gujarat, Located at: ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad, Gujarat, India—380013

## Underwriter

Our Company and the BRLM to the Issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated January 20, 2025 Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriter are several and are subject to certain conditions specified therein. The Underwriter have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name, Address, Telephone number and E-mail 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> <b>Address:</b> Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India <b>Tel No.:</b> 079- 4908 8019 <b>(M):</b> +91-9898055647 <b>Website:</b> <a href="http://www.ifinservices.in">www.ifinservices.in</a> <b>Email:</b> <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a> <b>Investor Grievance Email:</b> <a href="mailto:info@ifinservices.in">info@ifinservices.in</a> <b>Contact Person:</b> Pradip Sandhir <b>SEBI Registration No:</b> INM000012856	UPTO 65,00,000	[●]	100%
<b>Total</b>	Upto 65,00,000	[●]	100%

\*Includes [●] Equity Shares of the Market Maker Reservation Portion which is 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 resource of the above-mentioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full.

## BOOK BUILDING PROCESS:

Book Building, with reference to the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of an English national newspaper [●], a Hindi national newspaper [●] and Gujarati newspaper (being the regional language of Gujarat, where our Registered Office is located), at least two working days prior to the Bid/ Offer Opening date. The Offer Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Offer Closing Date. Principal parties involved in the Book Building Process are: -

- Our Company;
- The Book Running Lead Manager in this case being Interactive Financial Services Limited
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange of India Limited or BSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders (, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Issue through the ASBA process. Non-Institutional Investors with an application size of up to ₹ 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non- Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Individual Bidder who applies for minimum application size can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Bidders (who applies for minimum application size) applying in public Offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “Issue Procedure” beginning on page no. 218 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI (ICDR) Regulations, 2018 is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Offer.

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page no. 218 of this Draft Red Herring Prospectus.

#### **Illustration of the Book Building and Price Discovery Process:**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20.00 to ₹24.00 per share, Issue size of [●] Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Amount (₹)	Cumulative Quantity	Subscription
500	24.00	500	16.67 %
1000	23.00	1500	50.00 %
1500	22.00	3000	100.00 %
2000	21.00	5000	166.67 %
2500	20.00	7500	250.00 %

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalize the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### STEPS TO BE TAKEN BY THE BIDDERS FOR BIDDING:

- Check eligibility for making a Bid (see section titled “Issue Procedure” on page no. 218 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act, 1961 in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

#### Bid/Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date	[●]*
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

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

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



listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

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

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

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Book Running 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 Book Running 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 Red Herring Prospectus.

## **Market Maker**

Our Company and the Book Running Lead Manager have entered into an agreement dated January 20, 2025 with the following Market Maker, duly registered with BSE to fulfill the obligations of Market Making:

### **Aftertrade Broking Private Limited (Formerly Known as RCSPL Share Broking Private Limited)**

**Address:** 206, 2nd Floor, Time Square, Beside Pariseema Complex,

C G Road, Navrangpura, Ahmedabad-380 009

**Tel No:** +91-7801918080

**Email:** [compliance@aftertrade.in](mailto:compliance@aftertrade.in)

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

**Contact Person:** Mr. Tanmay Trivedi

**SEBI Registration No:** INZ000155638

**BSE Member Code:** 6669

Aftertrade Broking Private Limited (Formerly Known as RCSPL Share Broking Private Limited) is registered with Platform of BSE 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, 2018.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 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:**

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

12. The BRLM, 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, 2018.
13. 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.
14. 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.
15. The Market Maker shall have the right to terminate said arrangement by giving a six month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
16. 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 Book Running Lead Manager to arrange for another Market Make 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 Book Running 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.
17. **Risk containment measures and monitoring for Market Makers:** BSE 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.
18. **Punitive Action in case of default by Market Makers:** BSE 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.

19. 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.
20. 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.

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1	Up to 50	9

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

21. 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 BSE SME Platform ("BSE SME") 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.
22. 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 BSE SME platform.
23. 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.
24. 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 %

25. 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 Red Herring 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>		
	2,20,00,000 Equity Shares of face value of ₹ 10 each	2200.00	
<b>B</b>	<b>ISSUED, SUBSCRIBED &amp; PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	1,50,58,148 Equity Shares of face value of ₹ 10 each	1505.81	
<b>C</b>	<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
	Issue upto 65,00,000 Equity Shares of face value of ₹10 each at a premium of ₹ [●] per share	[●]	[●]
(I)	Reservation for Market Maker [●] Equity Shares of face value of ₹10 each at a premium of Rs. [●] will be available for allocation to Market Maker	[●]	[●]
(II)	Net Issue to the Public [●] Equity Shares of face value of ₹10 each at a premium of Rs. [●] per share	[●]	[●]
	<b>Net Issue to Public consists of</b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	[●]	[●]
	(a) Anchor Investor Portion- Upto [●] Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs	[●]	[●]
	(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)- Upto [●] Equity Shares of face value of ₹ 10/- each fully paidup for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs	[●]	[●]
	<b>Of which:</b>		
	(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)- Upto [●] Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs	[●]	[●]
	(ii) Balance of QIB Portion for all QIBs including Mutual Funds- Upto [●] Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs	[●]	[●]
	<b>Allocation to Non-Institutional Investors:</b> At least [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	[●]	[●]
	<b>Allocation to Individual Investors:</b> At least [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Individual Investors	[●]	[●]
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE</b>		
	[●] Equity Shares of ₹10 each	[●]	[●]

<b>E.</b>	<b>SHARE PREMIUM ACCOUNT</b>		
	Share Premium account before the Issue		0.00
	Share Premium account after the Issue		[●]

#### Details of Changes in Authorized Share Capital:

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

Sr. No.	Date of Change	AGM/ EGM	Changes in authorized Capital
1.	On Incorporation (July 09, 2021)	-	The authorized capital of our company on incorporation comprised of ₹ 1,00,000/- consisting of 10,000 Equity shares of ₹ 10 each.
2.	April 04, 2022	EGM	The authorized share capital of ₹ 1,00,000/- consisting of 10,000 Equity shares of ₹10 each was increased to ₹1,00,00,000/- consisting of 10,00,000 Equity shares of ₹10/- each.
3.	September 20, 2024	EGM	The authorized share capital of ₹1,00,00,000/- consisting of 10,00,000 Equity shares of ₹10/- each was increased to ₹22,00,00,000/-consisting of 2,20,00,000 Equity shares of ₹10/- each.

Note: The present issue of up to 65,00,000 equity shares in terms of this Draft Red Herring Prospectus has been authorized by a resolution of our Board dated November 11, 2024 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 November 14, 2024.

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 Red Herring 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
July 09, 2021 <sup>(1)</sup>	10,000	10	10.00	Cash	Subscription to MOA	10,000
August 16, 2022 <sup>(2)</sup>	10,021	10	7,085.00	Other than Cash	Preferential Issue	20,021
August 22, 2022 <sup>(3)</sup>	1,412	10	7,085.00	Other than Cash	Preferential Issue	21,433
September 30, 2023 <sup>(4)</sup>	5,650	10	7,085.00	Cash	Right Issue	27,083
September 21, 2024 <sup>(5)</sup>	1,50,31,065	10	NA	Other than Cash	Bonus Issue	1,50,58,148

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.	Vaibhav Shah	5,000
2.	Shivani Rajpurohit	5,000
<b>Total</b>		<b>10,000</b>

2. Allotment of 10,021 Equity Shares on August 16, 2022 on Preferential Allotment Private Placement basis, by way of Conversion of loan into Equity Shares, having face value of Rs. 10 each fully paid up at a premium of Rs. 7,075.00 per share, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Vaibhav Shah	6,013
2.	Shivani Rajpurohit	4,008
<b>Total</b>		<b>10,021</b>

3. Allotment of 1,412 Equity Shares on August 22, 2022 on Preferential Allotment Private Placement basis, by way of Conversion of loan into Equity Shares, having face value of Rs. 10 each fully paid up at a premium of Rs. 7,075.00 per share, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Vaibhav Shah	847
2.	Shivani Rajpurohit	565
<b>Total</b>		<b>1,412</b>

4. Allotment of 5,650 Equity Shares on September 30, 2023 on Right Issue basis having face value of Rs. 10 each fully paid up at a premium of Rs. 7,075.00 per share, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Vaibhav Shah	3390
2.	Shivani Rajpurohit	2260
<b>Total</b>		<b>5,650</b>

5. Issue of 1,50,31,065 Equity shares as Bonus Shares (555:1) on September 21, 2024 having face value of ₹ 10 each fully paid up, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Vaibhav Shah	90,18,750
2.	Shivani Rajpurohit	60,12,315
<b>Total</b>		<b>1,50,31,065</b>

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

Except following, Our Company has not issued any Equity Shares for consideration other than cash:

Issue of 1,50,31,065 Equity shares as Bonus Shares (555:1) on September 21, 2024 having face value of ₹ 10 each fully paid up, the details are given below:

Date of Allotment	No. of Total Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Name of Allottees	No. of Shares Allotted	Benefit Accrued
August 16, 2022	10,021	10	7085	Consideration other than cash	Conversion of loan	Vaibhav Shah	6,013	Improvement in Debt Equity Ratio
						Shivani Rajpurohit	4,008	
August 22, 2022	1,412	10	7085	Consideration other than cash	Conversion of loan	Vaibhav Shah	847	Improvement in Debt Equity Ratio
						Shivani Rajpurohit	565	

September 21, 2024	1,50,31,065	10	N. A	Consideration other than cash	Bonus Issue in the ratio of (555:1) i.e. 555 Equity Shares for 1 existing Equity Shares for Capitalisation of Reserves and Retaining interest of the Shareholders	Vaibhav Shah	90,18,750	Retaining interest of the shareholders
					Shivani Rajpurohit	60,12,315		

3. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under section 230-234 of the Companies Act, 2013.
5. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme/Stock Appreciation Right 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/ Stock Appreciation Right Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme / Employee Stock Purchase Scheme /Stock Appreciation Right Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.
6. Except as set out below, Our Company has not issued any Equity Shares during a period of one year preceding the date of the Draft Red Herring Prospectus at a price lower than the Issue price to our Promoter & Promoter Group.

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Name of Allottees	No. of Shares Allotted	Promoter/ Promoter Group
September 21, 2024	1,50,31,065	10	N.A	Consideration other than cash	Bonus Issue in the ratio of (555:1) i.e. 555 Equity Shares for 1 existing Equity Shares for Capitalisation of Reserves and Retaining interest of the Shareholders	Vaibhav Shah	90,18,750	Promoter
						Shivani Rajpurohit	60,12,315	Promoter

**7. Our Shareholding Pattern:**

The shareholding pattern of our company in accordance with Regulation 31 of SEBI(LODR) Regulations, 2015, as on March 31, 2025:

**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						No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter & Promoter Group	4	1,50,57,848	0	0	1,50,57,848	100.00	1,50,57,848	0	0	100.00	0	0			N.A	N.A.	1,50,57,848
(B)	Public	3	300	0	0	300	00.0	300	0	0	00.0	0	0	0	0	N.A	N.A.	300
(C)	Non-Promoter-Non Public	0	0	0	0	0	00.0	0	0	0	00.0	0	0	0	0	N.A	N.A	-
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	-
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	-
	TOTAL	7	1,50,58,148	0	0	1,50,58,148	100	1,50,58,148	0	0	100.00	0	0			N.A	100	1,50,58,148

**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
(i) Promoters					
1.	Vaibhav Shah	90,34,700	60.00	90,34,700	[●]
2.	Shivani Rajpurohit	60,22,948	40.00	60,22,948	[●]
	TOTAL (A)	1,50,57,648	100.00%	1,50,57,648	[●]
(ii) Promoter Group					
3	Pravinaben Shah	100	Negligible	100	[●]
4	Shivlal Rajpurohit	100	Negligible	100	[●]
	TOTAL (B)	200	Negligible	200	[●]
(iii) Public					
5	Raju Katariya	100	Negligible	100	[●]
6	Rajesh Patel	100	Negligible	100	[●]
7	Purushottam Agarwal	100	Negligible	100	[●]
	IPO	-	-	Up to 65,00,000	[●]
	TOTAL (C)	300	-	[●]	[●]
	TOTAL (A+B+C)	1,50,58,148	100.00	[●]	100.00

**9. 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 Red Herring Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Vaibhav Shah	90,34,700	60.00
2.	Shivani Rajpurohit	60,22,948	40.00
<b>TOTAL</b>		<b>1,50,57,648</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 Red Herring Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Vaibhav Shah	90,34,700	60.00
2.	Shivani Rajpurohit	60,22,948	40.00
<b>TOTAL</b>		<b>1,50,57,648</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 Red Herring Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Vaibhav Shah	16250	60
2.	Shivani Rajpurohit	10833	40
<b>TOTAL</b>		<b>27083</b>	<b>100</b>

- 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 Red Herring Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Vaibhav Shah	12860	60
2.	Shivani Rajpurohit	8573	40
<b>TOTAL</b>		<b>21433</b>	<b>100</b>

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

11. 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 Red Herring 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.

## 12. 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	
A. Vaibhav Shah									
July 09,2021	Subscription to MOA	Cash	5,000	5,000	10	10	0.03	[●]	[●]
September 29, 2021	Transfer	Cash	1,000	6,000	10	10	0.01	[●]	[●]
August 16, 2022	Preferential allotment	Other than Cash	6,013	12,013	10	7085.00	0.04	[●]	[●]
August 22, 2022	Preferential allotment	Other than Cash	847	12,860	10	7085.00	0.01	[●]	[●]
September 30, 2023	Right Issue	Cash	3390	16250	10	7085.00	0.02	[●]	[●]
September 21, 2024	Bonus Shares	Other than cash	90,18,750	90,35,000	10	-	59.89	[●]	[●]
October 05, 2024	Transfer	Gift	-300	90,34,700	10	-	-	[●]	[●]
	TOTAL (B)		90,34,700				60.00	[●]	[●]
B. Shivani Rajpurohit									
July 09,2021	Subscription to MOA	Cash	5,000	5,000	10	10	0.03	[●]	[●]
September 29, 2021	Transfer	Cash	-1,000	4,000	10	10	-0.01	[●]	[●]
August 16, 2022	Preferential allotment	Other than Cash	4008	8,008	10	7085.00	0.03	[●]	[●]
August 22, 2022	Preferential allotment	Other than Cash	565	8,573	10	7085.00	0.00	[●]	[●]
September 30, 2023	Right Issue	Cash	2260	10833	10	7085.00	0.02	[●]	[●]
September 21, 2024	Bonus Shares	Other than cash	60,12,315	60,23,148	10	-	39.93	[●]	[●]
October 05, 2024	Transfer	Gift	-200	60,22,948	10	-	-	[●]	[●]
	TOTAL		60,22,948				40.00	[●]	[●]

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

13. Except the following None of our Promoters, Promoters Group, Directors and their relatives have purchased or sold the equity share of our company during the past six months immediately preceding the date of filing Draft Red Herring Prospectus.

Date of transaction	Name of the Promoters, Promoters Group, Directors and their relatives	Category	No. of Equity Shares allotted / transferred	Face Value (₹)	Issue Price (₹)	Nature of transaction
October 05, 2024	Vaibhav Shah	Promoter	300	10	Nil	100 Equity Shares Gifted to Raju Katariya
						100 Equity Shares Gifted to Rajesh Patel
						100 Shares Gifted to Pravinaben Shah
October 05, 2024	Shivani Rajpurohit	Promoter	200	10	Nil	100 Equity Shares Gifted to Shivlal Rajpurohit
						100 Equity Shares Gifted to Purushottam Agarwal

14. 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 Red Herring Prospectus.

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition in ₹
1.	Vaibhav Shah	90,34,700	8.04
2.	Shivani Rajpurohit	60,22,948	8.04

#### 15. Lock in of Promoters:

- As per clause (a) Regulation 236 and 238 of the SEBI (ICDR) Regulations and amendments thereto, in terms of the aforesaid table, an aggregate of 20.00 % of the post-Issue Equity Share Capital of our Company [●] 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 into 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 [●] Equity Shares for three years. The Equity Shares that are being locked in are not ineligible for minimum promoter's 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 Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction nor resulted from a bonus issue by utilization 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;

- All the Equity Shares held by the Promoters / members of the Promoters' Group are already in dematerialized form as on date of this Draft Red Herring Prospectus.
- The minimum promoters Contribution does not include Equity shares pledged with any creditor.

**c) Details of Equity Shares held by Promoters in excess of minimum promoters' contribution**

Lock in of Equity Shares held by Promoters in excess of minimum promoters' contribution as per Regulation 238 of the SEBI ICDR Regulations, 2018 read with SEBI (ICDR) (Amendment) Regulations, 2025. Pursuant to Regulation 238(b) of the SEBI ICDR Regulations, 2018 read with SEBI (ICDR) (Amendment) Regulations, 2025, the Equity Shares held by our Promoters and promoters' holding in excess of minimum promoters' contribution shall be locked as follows:

- Fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer i.e., Pre-Offer of [●] Equity Shares shall be subject to lock-in; and
- Remaining fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer i.e., pre- Offer of [●] Equity Shares shall be subject to lock-in.

*The details of lock-in of shares for 2 (two) years and for 1 (one) year are as under:*

Name of Shareholders	Category	No. of Shares Held	Lock-in for 3 years	Lock-in for 2 years	Lock-in for 1 years
[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]	[●]

**16. 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, 500 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.

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

- In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, 2018, may be transferred to another 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.
- 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.

**18. 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.

19. In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository- Not Applicable as all existing Equity Shares are held in dematerialized form.
20. Our Company, our Directors and the Book Running 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.
21. All the Equity Shares of our Company are fully paid-up equity shares as on the date of the Draft Red Herring 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.
22. Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Red Herring Prospectus.
23. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme /Stock Appreciation Right 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 /Stock Appreciation Right Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme / Employee Stock Purchase Scheme /Stock Appreciation Right Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulation, 2014.
24. Our Company is in compliance with the Companies Act, 2013, to the extent applicable, with respect to issuance of Equity Shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.
25. 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.
26. As per RBI regulations, OCBs are not allowed to participate in this Issue.
27. 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.
28. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
29. 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.
30. 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.
31. Our Promoter and the members of our Promoter Group will not participate in this Issue.
32. As on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
33. Our Company shall ensure that transactions in the Equity Shares by the Promoters and members of the promoters Group between the date of registering 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.

- 34.** Our Company hereby confirms compliance with all provisions of the Companies Act, 2013 ("the Act") regarding issuance of securities since inception until the date of filing of this Draft Red-herring Prospectus.
- 35.** In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- 36.** No person connected with the offer shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
- 37.** Except, Vaibhav Shah, Shivani Rajpurohit and Shivlal Rajpurohit none of our directors or Key Managerial Personnel holds Equity Shares in our Company. For Further details please refer "Shareholding of Directors in our Company" in Chapter title "Our Management" at page no. 128 of this Draft Red-herring Prospectus.
- 38.** We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Prospectus with the Registrar of companies and the Offer Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.
- 39.** As on date of this Draft Red Herring Prospectus, our Company has 7 Shareholders.

## SECTION IV – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The present Public Issue up to 65,00,000 Equity Shares at an issue price of [●] per Equity Share.

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

1. Capital Expenditure for purchase of machineries.
2. Repayment of Debt
3. Working Capital
4. General Corporate Purpose,

(Collectively referred to as “Objects”)

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

### Net Proceeds

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

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Gross proceeds from the issue	[●]
2.	Less: Issue related expenses	[●]
<b>Net proceeds of the issue</b>		[●]

### Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Capital Expenditure for plant and machineries	613.00
2.	Repayment of Debt	1000.00
3.	Working Capital	3400.00
4.	General corporate purposes	[●]
<b>Total utilization of net proceeds</b>		[●]

The fund requirements mentioned above are based on internal management estimates of our Company and have not been verified by the Book Running 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 no. 20 of this Draft Red Herring 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 2025-2026
1.	Capital Expenditure for plant and machineries	613.00	Nil	613.00
2.	Repayment of Term Loan	1000.00	Nil	1000.00
3.	Working Capital	3400.00		3400.00
4.	General corporate purposes <sup>1</sup>	[●]		[●]
	<b>Total</b>	[●]		[●]

<sup>1</sup> To be finalized upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹ 10.00 Crores; whichever is lower.

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the Financial Year 2025-26. In the event that the estimated utilization of the Net Proceeds in a Financial Year 2025-26 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

The fund requirements for all the Objects of the Issue are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance under Regulation 230(1)(e) 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 amount to be raised through the Issue or through existing identifiable internal accruals.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Offer Proceeds.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page 32 of this Draft Red-herring Prospectus.

### DETAILS OF THE OBJECTS OF THE ISSUE

#### 1) Funding capital expenditure requirements for the purchase of equipment/machineries

As of October 31, 2024, the aggregate gross block value of our Company’s property, plant, and equipment, including capital work-in-progress, stood at ₹2938.71 lakhs. This reflects our ongoing investment in operational assets. Over the years, we have consistently allocated capital towards acquiring plant and machinery to enhance our production capabilities. In the financial year ended March 31, 2024, we spent ₹14.58 lakhs on such acquisitions, while in the financial years 2023 and 2022, we invested ₹2919.34 lakhs and ₹347.90 lakhs, respectively. These expenditures highlight our commitment to upgrading and expanding our manufacturing facilities.

Our capital expenditure on equipment is of a recurring nature, as we continuously invest in procuring new machinery to improve efficiency, increase production capacity, and comply with quality and regulatory standards. We have identified specific equipment’s that we intend to purchase, and we have received quotations for these machines, which will be installed at our manufacturing facility located at C/54, GIDC, Saykha, Dist. Bharuch – 392140. As of now, the orders for these machines have not yet been placed, but all the equipment to be acquired will be new. The promoters are confident that the machines can be procured at the quoted prices, ensuring cost predictability and effective financial planning. Through these investments, we aim to strengthen our operational efficiency and support our long-term business growth.



(₹ In lakhs)							
Sr. No.	Particulars of Machinery	Name of Supplier	Quantity	Rate	Price (including GST) (₹ in lakhs)	Date of Quotation	Validity
1	Nozzle Spray Drying Plant for Reactive Dyes*	Hydro engineering Co.	1	220	259.6	26.03.2025	30 days
2	75 KL Vessel Dishend with Stirrer, Blade, Lentern Assembly and Gearbox, Motor"	Fab-Tech Engineering	4	29.4	138.77	26.03.2025	15 days
3	30 KL Vessel Dishend with Stirrer, Blade, Lentern Assembly and Gearbox, Motor"	Fab-Tech Engineering	4	16.95	80.00	26.03.2025	15 days
4	25 KL Pressure Vessel Dishend with Stirrer, Blade, Lentern Assembly and Gearbox, Motor	Fab-Tech Engineering	1	15.2	17.94	26.03.2025	15 days
5	50 KL Vessel Dishend with Stirrer, Blade, Lentern Assembly and Gearbox, Motor	Fab-Tech Engineering	1	21.48	25.34	26.03.2025	15 days
6	25 KL Oluem Storage Tank (Horizontal)	Fab-Tech Engineering	1	7.12	8.40	26.03.2025	15 days
7	3 KL Oluem Measuring Tank (Top & Bottom Flat)	Fab-Tech Engineering	1	1.42	1.67	26.03.2025	15 days
8	25 KL Sulphuric Acid Storage Tank (Horizontal)	Fab-Tech Engineering	1	5.3	6.25	26.03.2025	15 days
9	3 KL Sulphuric Measuring Tank Vertical (Top & Bottom Flat)	Fab-Tech Engineering	1	1.15	1.36	26.03.2025	15 days
10	15 KL Jacketed Vessel Dishend with Stirrer, Blade, Lentern Assembly and Gearbox, Motor	Fab-Tech Engineering	1	28.63	33.78	26.03.2025	15 days
11	12 KL Jacketed Vessel Dishend with Stirrer, Blade, Lentern Assembly and Gearbox, Motor	Fab-Tech Engineering	1	24.64	29.08	26.03.2025	15 days
12	Transportation and loading/unloading cost	-	-	-	10.00	-	-
	<b>TOTAL</b>				<b>612.19</b>		
	<b>SAY</b>				<b>613.00</b>		

\*At present, our company manufacture both dark shade and light shade dyes using a single Spray Dryer. However, when shifting from dark-colored dyes to light-colored dyes, the entire system must be thoroughly washed before production can resume. This process results in downtime and limits the full utilization of our installed capacity. To overcome this challenge and enhance efficiency, we are investing in an additional spray dryer along with other necessary vessels specifically for manufacturing light-shade dyes. This expansion will optimize our production process and significantly increase our overall manufacturing capacity.

## 2) REPAYMENT OF DEBT

Our Company has secured various financing arrangements, including term loans and working capital loans, to support its operational and expansion needs. For further details, refer to the section titled “Restated Financial Statements” on page 139 of the Draft Red Herring Prospectus. As of March 31, 2024, our total outstanding borrowings amounted to ₹2,748.55 lakhs, comprising ₹1,348.55 lakhs in long-term borrowings and ₹1,400.00 lakhs in short-term borrowings. To strengthen our financial position, we plan to utilize an estimated ₹1,000.00 lakhs from the Net Proceeds towards the repayment or prepayment of these borrowings, either in full or in part.

The repayment or prepayment of borrowings is expected to provide multiple financial and operational benefits. By reducing our overall debt burden, we will improve our debt-equity ratio, enhancing financial stability and making our balance sheet more robust. This reduction in debt will also allow us to allocate more internal accruals towards business growth and expansion. Additionally, an improved financial structure will enable us to raise further resources at competitive interest rates, making it easier to secure additional funding for future business opportunities and expansion plans.

Since borrowing amounts may vary over time due to repayments and new drawdowns, the total outstanding borrowings may fluctuate. However, the aggregate amount to be utilized from the Net Proceeds for repayment or prepayment will not exceed ₹1,000.00 lakhs. The funds allocated for debt reduction will primarily target specific outstanding borrowings as of October 31, 2024, ensuring an optimal reduction in financial liabilities.

This strategic initiative aligns with our long-term financial planning, helping us strengthen our capital structure while ensuring sufficient liquidity for future business expansion. Through this approach, we aim to achieve financial sustainability, enhance operational efficiency, and create greater value for our stakeholders.

Name of Lender	Date revised Sanction	Particulars of Credit Facility	Sanctioned Amount	Outstanding as on February 28, 2025	Purpose for which the Loan is used
State Bank of India	September 26, 2023	Cash Credit	1400.00	1386.27	Working Capital purpose
		Term Loan	1484.00	1294.27	For purchase of land, building and plant and machinery

As certified by Statutory Auditor of the company dated March 24, 2025 vide UDIN: 25114164BMLIIB9817.

### 3. Working Capital Requirement

Our Company plans to allocate ₹3,400.00 lakhs from the Net Proceeds to meet its working capital requirements for the financial years ending March 31, 2025, and March 31, 2026. As our business continues to expand, our working capital needs are also increasing. In Financial Year 2024, we achieved a turnover of ₹6,127.53 lakhs, a significant increase compared to ₹876.80 lakhs in Financial Year 2023. Additionally, for the stub period ended October 31, 2024, our turnover reached ₹5,745.54 lakhs, reflecting the growth trajectory of our operations.

Our Company commenced operations in FY 2023, during which our net working capital requirement was ₹212.79 lakhs, primarily financed through short-term borrowings and share capital. As our business scaled up in FY 2024, our net working capital requirement rose to ₹2,200.41 lakhs, which was met through a combination of bank borrowings amounting to ₹1,385.69 lakhs and ₹814.72 lakhs from internal cash accruals and share capital. For the stub period ended October 31, 2024, our working capital requirement further increased to ₹2,916.78 lakhs, which was funded by ₹1,410.05 lakhs in bank borrowings and ₹1,506.73 lakhs from share capital and internal accruals.

Given our rapid expansion and increasing operational scale, we anticipate a higher working capital requirement to sustain our growth momentum. The typical trade receivable cycle in our industry averages 180 days; however, banks usually consider only 90 days of trade receivables while extending working capital financing. This gap necessitates additional funding to ensure smooth operations, timely procurement of raw materials, and uninterrupted production cycles. The infusion of funds from the Net Proceeds will help us bridge this gap, reduce dependence on external borrowings, and strengthen our financial position. This will, in turn, allow us to capitalize on market opportunities, maintain steady cash flows, and ensure sustainable business expansion. The installation of second spray driver will increase the efficiency and help to better

utilization of installed capacity. The better utilization of installed capacity will increase the turnover and requirement of working capital.

(₹ in Lakhs)

Particulars	31.03.20 22	31.03.20 23	31.03.20 24	31.10.20 24	31.03.20 25	31.03.20 26
	Audited	Audited	Audited	Audited	Projected	Projected
Raw Material		147.27	365.37	553.53	659.02	1000.00
Semi Finished Goods		234.47	535.92	583.12	665.66	1212.50
Finished Goods			154.97	187.65	328.32	500.00
Trade Receivables		140.14	2862.76	4699.42	4760.59	7250.00
Cash and Bank Balances	7.04	7.49	11.08	8.86	10.00*	7.50*
Short term loans and Advances	145.75	471.41	340.75	99.47	125.00*	235.00*
Other Current Assets						
<b>Total</b>	<b>152.79</b>	<b>1000.78</b>	<b>4270.85</b>	<b>6132.05</b>	<b>6548.59</b>	<b>10205.00</b>
<b>Less:</b>						
Trade Payables		762.64	1662.02	2925.64	2899.69*	3200.00*
other Current Liabilities	79.57	25.35	256.88	169.91	250.00**	400.00**
Other current Liabilities for capital expenses	56.19		18.39	1.99	2.00	5.00
short term provisions			133.15	117.73	250.00**	300.00**
<b>Total Liabilities</b>	<b>135.76</b>	<b>787.99</b>	<b>2070.44</b>	<b>3215.27</b>	<b>3401.69</b>	<b>3905.00</b>
Net Working Capital	17.03	212.79	2200.41	2916.78	3146.89	6300.00
Less: short term borrowings#		180.32	1385.69	1410.05	1400.00	1400.00
Less: Unsecured Business Loans						
Balance	17.03	32.47	814.72	1506.73	1746.89	4900.00
Financed through Capital and Internal Cash Accruals#	17.03	32.47	814.72	1506.73	1746.89	1500.00
<b>Fund from IPO</b>				0.00		3400.00

As certified by our Statutory Auditors vide certificate dated December 7, 2024 vide UDIN: 24114164BKAHRG9299 and as approved by the Board of Directors of our Company pursuant to its resolution dated January 16, 2025.

\* On an average the company was maintaining the cash and bank balance between ₹ 7 to ₹ 11 lakhs in the previous years and on that basis the provision of cash and bank balance was projected in FY 2025 and FY 2026. Short-term loans and advances include major funds blocked in the balance with Government Authorities and with the increase of business the funds in the form of advance tax and GST receivables increased and on that basis the provision for short-term loans and advances for the year 2025 and 2026 was projected.

# The Company had started operation and apart from the promoters funding by way of unsecured loan and share capital, the Company had borrowed working capital loan from the State Bank of India. In the table we have mentioned that the net working capital after the deduction of current liabilities i.e funding from the suppliers by way of providing the credit for purchase of raw material from the current assets, the same is financed by way of borrowing from the bank and unsecured loan, internal cash accruals and capital by the promoters.

\*\* The rationale for estimated projections for trade payables. Based on credit period company was enjoying from the supplier in the past, projections for the trade payables for the FY 2025 and 2026 were made.

The Short-term provisions includes the provision for income tax and gratuity payment and due to increase in the business and profit of the Company provision for tax liability and gratuity to be made will increase. On that basis the short-term provisions for FY 2025 and FY 2026 are made.

\*\*Other Current Liabilities includes expenses payable and with the increase of business the expenses like salary to staff and workers, Electricity expenses will increase and, on that basis, the estimated projections for FY 2025 and FY 2026 are made.

#### Assumptions of working capital

(No. of Days)

Particulars	31.03.2023	31.03.2024	31.10.2024	31.03.2025	31.03.2026
Raw Material	62	23	21	25	30
Semi finished goods	98	33	21	25	30

<b>Finished Goods</b>	0	8	6	10	10
<b>Trade Receivables</b>	48	140	143	145	145
<b>Trade Payables</b>	321	104	111	110	80

#### **Justification of working capital Requirement:**

##### **Raw Material:**

Our raw material holding period has historically ranged between 21 to 25 days. Given that the manufacturing process involves multiple raw materials for producing various types of dyes, maintaining an adequate stock level is crucial for uninterrupted production. To align with our expansion plans and mitigate supply chain risks, we have projected a raw material holding period of 30 days for the upcoming financial years.

##### **Semi Finished Goods:**

Our semi-finished goods holding period has varied between 21 to 30 days in previous years, depending on the complexity of production processes and customer-specific requirements. Since dyes undergo multiple processing stages, a sufficient stock is in the various stages of production. Accordingly, an average holding period of 30 days has been considered in our projections.

##### **Finished Goods:**

For finished goods, our business model follows a made-to-order approach, ensuring minimal inventory holding. Finished goods are typically dispatched as soon as production is completed. However, to accommodate logistics and large order requirements, our Company has historically maintained an inventory of 6 to 10 days. We have projected an average finished goods holding period of 10 days to account for any operational contingencies.

##### **Trade Receivable & Trade Payable:**

In terms of trade receivables, the dyes industry operates on extended credit terms, and our Company has maintained an average receivable period of 140 to 145 days in past financial years. Considering standard industry practices and ongoing business relationships, we have projected a trade receivables period of 145 days. On the other hand, trade payables were historically settled within 100 days due to favorable credit terms from suppliers. However, with the implementation of MSME regulations mandating timely payments, we have revised the trade payables period to 80 days in the projected years.

These working capital assumptions are formulated to balance operational efficiency, regulatory compliance, and financial prudence. By optimizing the working capital cycle, our Company aims to ensure seamless production, maintain supplier relationships, and support future growth while efficiently managing cash flow.

#### **4. 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 15.00% of the Gross proceeds and ₹10.00 Crores whichever is lower raised by the company through this issue.

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

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

##### **Issue Related Expenses**

The total expenses of the Issue are estimated to be approximately [●] lakhs. The expenses of this include, among others, underwriting and Book Running 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.	[●]	[●]	[●]
Brokerage, selling commission and Marketing	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationary	[●]	[●]	[●]
Others (Market Making fees etc.)	[●]	[●]	[●]
<b>Total estimated issue related expenses</b>	[●]	[●]	[●]

**Notes:**

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

<b>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)</b>	₹ 10 per application on wherein shares are allotted
<b>Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them)</b>	₹ 10 per application on wherein shares are allotted
<b>Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank</b>	₹10 per application on wherein shares are allotted
<b>Sponsor Bank shall be payable processing fees on UPI application processed by them</b>	₹ 5 per application on wherein shares are allotted

2. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them
3. The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.
4. 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 Red Herring 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**

In accordance with Regulation 262 of the SEBI (ICDR) Regulations and amendments thereto, our Company shall appoint a Monitoring Agency for monitoring the utilisation of Fresh Issue prior to the filing of the Red Herring Prospectus with the RoC, as the proposed Fresh Issue may exceeds ₹ 5,000 Lakhs. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Fresh Issue Proceeds and the Monitoring Agency shall submit the report required under Regulation 262(2) of the SEBI ICDR Regulations

and amendments thereto, on a quarterly basis, until such time as the Fresh Issue Proceeds have been utilised in full in the format specified in Schedule XI of SEBI ICDR Regulations.

In accordance with Regulation 262(3) and (4) of the SEBI (ICDR) Regulations read with SEBI (ICDR) (Amendments) Regulations, 2025, the board of directors and the management of the issuer shall provide their comments on the findings of the monitoring agency as specified in Schedule XI as per SEBI ICDR Regulations. Our Company will, within forty-five days from the end of each quarter, publicly disseminate the report of the monitoring agency by uploading the same on its website as well as submitting the same to the BSE.

### **Variation in Objects**

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

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

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

### **Other Confirmation**

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

## BASIS FOR ISSUE PRICE

The Issue Price of ₹ [●] per Equity Share is determined by our Company in consultation with the Book Running Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is ₹10.00/- per Equity Share and Issue Price is ₹ [●] per Equity Share. The Issue Price is [●] times the face value.

Investors should refer sections / chapters titled “*Risk Factors*”, “*Restated Financial Statements*”, “*Management Discussion and Analysis of Financial Condition and Results of Operations*” and “*Business Overview*” beginning on page no. 20, 139, 171 and 92 respectively of this Draft Red Herring 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:

1. Quality Assurance
2. Experienced Promoters with sound market knowledge
3. An integrated production processes
4. Locational Advantage
5. Cordial relations with Customers
6. Committed to High-Quality, Versatile Products with International Certifications

For further details, please refer to the paragraph titled “*Competitive Strengths*” in the chapter titled “*Business Overview*” beginning on page no. 92 of this Draft Red Herring Prospectus.

### Quantitative Factors

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

#### 1) Basic and Diluted Earnings Per Share (EPS)

Year ended	Weights	Basic and Diluted EPS (Pre Bonus)	Basic and Diluted EPS (Post Bonus)
March 31, 2022	1	(1.10)	0.00
March 31, 2023	2	350.77	0.81
March 31, 2024	3	2026.03	9.81
<b>Weightage Average EPS</b>	<b>6</b>	<b>1129.76</b>	<b>1.77</b>
<b>October 31, 2024</b>		<b>18.98</b>	<b>3.66</b>
<b>October 31, 2024 (Annualized)</b>		<b>32.54</b>	<b>6.27</b>

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

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

Particulars	P/E at the lower end of the price band	P/E at the upper end of the price band
P/E ratio based on Basic and diluted EPS as at March 31, 2024	[●]	[●]
P/E ratio based on Weighted Average Basic and diluted EPS	[●]	[●]
<b>Industry</b>		
Highest		94.60
Lowest		16.24
Average		63.54

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



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

Year Ended	RONW (%)	Weight
March 31, 2022	(12.36)	1
March 31, 2023	6.89	2
March 31, 2024	27.85	3
<b>Weighted Average</b>		<b>14.16</b>
<b>October 31, 2024</b>	<b>24.06</b>	
<b>October 31, 2024 (Annualized)</b>	<b>41.25</b>	

**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)

(₹ in Lakhs)

Particulars	₹ per share
Net Asset Value per Equity Share as of March 31, 2024	6486.99
Net Asset Value per Equity Share before IPO (after bonus issue) i.e. October 31, 2024*	15.17
Net Asset Value per Equity Share after IPO	[•]
Issue Price	[•]
<b>NAV Post Issue</b>	
- At Floor Price	[•]
- At Cap Price	[•]
- Issue Price	[•]

\*Not Annualized

**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

(₹ in Lakhs)

Companies#	CMP*	EPS	PE Ratio	RON W (%)	NAV (Per Share)	Face Value	Revenue from Operation	Other Income	Total Income (₹ in Lakhs)
Shlokka Dyes Limited	[•]**	2026.03	[•]	27.85	6486.99	10	6127.53	41.32	6168.85
<b>Peer Group</b>									
Deepak Chemtex Limited	109.25	7.45	14.66	15.56	39.25	10	5040.41	118.24	5158.65
Vipul Organics Limited	134.00	2.60	51.54	5.71	45.01	10	15007.86	91.45	15099.31
Ishan Dyes and Chemicals Limited	40.54	0.06	675.67	0.11	49.03	10	7666.89	291.82	7958.71

\*CMP as on April 01, 2025

\*\* CMP of our company is considered as an Issue Price.

# Amount taken from Restated Financials as on March 31, 2024

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



**Notes:**

- 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.
- The figures for Shlokka Dyes Limited are based on the restated standalone financial statements for the year ended March 31, 2024.
- The figures are based on the Standalone financial statements for the year ended March 31, 2024 of Deepak Chemtex Limited, Vipul Organics Limited & Ishan Dyes and Chemicals Limited from the Annual reports of the Companies available from the website of the Stock Exchange and website of the Companies.  
CMP of the peer group is as per the closing price as available on <https://www.bseindia.com>.
- P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on November 29, 2024 sourced from website of Stock Exchange as divided by the Basic/diluted EPS as applicable.

**Key Performance Indicators (“KPIs”)**

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

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

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 07, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time since Incorporation to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by statutory auditor.

**Financial KPI of our Company**

(₹ in Lakhs)

Sr No.	Metric	As of and for the Fiscal			
		October 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1.	Total Income	5755.14	6168.85	879.64	-
2.	Current Ratio	1.28	1.18	0.80	1.13
3.	Debt Equity ratio	1.25	1.63	2.27	409.31

4.	EBITDA	1056.98	1280.90	160.54	(0.10)
5.	Operating EBITDA Margin (%)	18.37	20.76	18.25	-
6.	PAT	551.59	491.79	60.05	(0.11)
7.	PAT Margin (%)	9.49	7.32	12.05	-
8.	Return on Equity ratio (%)	24.14	27.99	6.99	(17.19)
9.	Return on Capital Employed (%)	21.46	25.46	6.71	(0.05)

**As certified by the Statutory Auditor vide their certificate dated December 7, 2024 bearing UDIN: 24114164BKAHRC2439.**

**Notes:**

- a) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities
- b) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by total equity (which includes issued capital and all other equity reserves).
- c) Return on equity (RoE) is equal to profit for the year divided by the total equity during that period and is expressed as a percentage.
- d) Operating EBITDA refers to earnings before interest, taxes, depreciation, amortization, gain or loss from discontinued operations and exceptional items.
- e) Operating EBITDA Margin refers to EBITDA during a given period as a percentage of total income during that period.
- f) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our total revenue.
- g) RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus Reserves & Surplus.

Comparison of key performance indicators with Peer Group Companies

(₹ in Lakhs)

Sr No	Key Performance Indicators	Shlokka Dyes Limited			Deepak Chemtex Limited			Vipul Organics Limited			Ishan Dyes and Chemicals Limited		
		March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022
1	Total Income	6168.85	879.64	-	5158.65	4783.72	5443.68	15099.31	13399.73	13386.45	7958.71	6672.18	9000.88
2	Current Ratio	1.18	0.80	1.13	4.97	2.46	1.92	1.26	1.35	1.27	1.57	2.47	2.99
3	Debt Equity Ratio	1.63	2.27	409.31	3.62	0.87	0.22	0.48	0.53	0.56	0.58	0.22	0.21
4	EBDITA	1280.90	160.54	(0.10)	965.02	892.68	630.27	1262.31	1173.93	1662.25	615.28	311.67	1775.02
5	Operating EBDITA Margin (%)	20.76	18.25	-	18.71	18.66	11.58	8.36	8.76	12.42	7.73	4.67	19.72
6	PAT	491.79	60.05	(0.11)	663.39	614.71	422.36	334.44	197.53	698.56	11.73	-120.18	1011.07
7	Net profit Ratio (%)	7.97	12.05	-	13.16	13.16	7.81	2.22	1.47	5.24	0.00	-2.00	12.00
8	Return on Equity (%)	27.99	6.99	(17.19)	15.56	39.11	44.14	5.98	5.19	21.39	0.00	-1.00	14.00
9	Return on Capital Employed (%)	25.46	6.71	(0.05)	20.04	48.23	49.38	8.07	6.63	13.86	0.02	0.00	15.00

Key Performance Indicators are as on March 31, 2024.

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

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

Price per share of our Company based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this DRHP/RHP/Prospectus, where such issuance is equal to or more than 5% of the paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”)

Our Company has not issued any Equity Shares or convertible securities or employee stock options during the 18 months preceding the date of this Draft Red-herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

Price per share of Issuer Company based on secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the DRHP / RHP, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days .

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

(c) Since there are no such transaction to report to under (A) and (B), the following are the details basis the last five primary and secondary transactions (secondary transactions where Promoters, Promoter Group or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this draft Red-herring Prospectus/Red-herring Prospectus/ Prospectus irrespective of the size of transactions:

#### Primary Issuances:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Offer Price (₹)	Nature of Consideration	Nature of Allotment	Total Consideration (₹)
July 09, 2021	10,000	10.00	10.00	Cash	Subscription to MoA	10,000
August 16, 2022	10,021	10.00	7085	Other than Cash	Preferential issue	7,09,98,785.00
August 22, 2022	1,412	10.00	7085	Other than Cash	Preferential issue	1,00,04,020.00
September 30, 2023	5,650	10.00	7085	Cash	Rights issue	4,00,30,250.00
September 21, 2024	1,50,31,065	10.00	0.00	Other than Cash	Bonus issue	0.00

**Weighted average cost of acquisition (WACA) (primary issuances) (₹ per Equity Share)- ₹ 8.04**  
**Secondary transactions:**

Date of Transfer/acquisition	No. of Equity Shares Transferred/acquired	Face Value (₹)	Transfer/acquisition Price (₹)	Nature of Consideration	Nature of Transactions	Total Consideration (₹)
October 05, 2024	100	10.00	0.00	Gift	Transfer	0.00
October 05, 2024	100	10.00	0.00	Gift	Transfer	0.00
October 05, 2024	100	10.00	0.00	Gift	Transfer	0.00
October 05, 2024	100	10.00	0.00	Gift	Transfer	0.00
October 05, 2024	100	10.00	0.00	Gift	Transfer	0.00

**Weighted average cost of acquisition (WACA) (Secondary Transactions) (₹ per Equity Share)- ₹ 0.00**

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

Type of Transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price ₹[●]	Cap Price ₹[●]
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	Nil	[●]	[●]
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	Nil	[●]	[●]

\*Statutory Auditor of our Company M/s Patel & Panchal, Chartered Accountants, pursuant to their certificate dated April 02, 2025 UDIN: 25114164BMLIII6538 have certified Weighted average cost of acquisition for Primary and Secondary Issuance.

**(d) Explanation for Issue Price / Cap Price being ₹[●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 5 above) along with our Company's key performance indicators and financial ratios for the period ended on October 31, 2024 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022.**

**(e) Explanation for Issue Price / Cap Price being ₹[●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 5 above) in view of the external factors which may have influenced the pricing of the Issue.**

## STATEMENT OF TAX BENEFITS

To,  
The Board of Directors,  
Shlokka Dyes Limited  
Plot No-C/54, GIDC, Saykha, Saran,  
Bharuch, Vagra, Gujarat, India, 392140

Dear Sir,

**Sub: Statement of Possible Special Tax Benefits available to SHLOKKA DYES LIMITED ('the Company') and its shareholders prepared in accordance with the requirements in Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ('SEBI ICDR Regulations')**

We hereby report that the enclosed annexure, prepared by the management of the company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 read with Income Tax Rules, Circulars, Notifications ('Act') as amended by the Finance Act, 2025 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India.

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

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

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

The contents of the enclosed annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

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

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" ("Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

This report including enclosed annexure is intended for your information and for inclusion in the Draft Red Herring 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. Patel & Panchal,  
Chartered Accountants  
Firm Reg No: 123744W**

**SD/-  
CA Hardik Panchal  
Mem. No: 114164  
UDIN: 25114164BMLIJ2452**

**Place: Ahmedabad  
Date: April 03, 2025**

## **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

### INDUSRTY 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 Book Running Lead Manager nor any of our or their respective affiliates or advisors nor any other people 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 e Draft Red Herring Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Statements" on pages no. 20 and 139, respectively of this Draft Red Herring 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 no. 20 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information.

### CHEMICAL INDUSTRY INDIA

#### INTRODUCTION

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, anxd fertilisers. India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP. The Indian chemical industry is currently valued at US\$ 220 billion and is expected to reach US\$ 300 billion by 2030 and US\$ 1 trillion by 2040. This industry remains an active hub of opportunities, even in an environment of global uncertainty.



Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world's production of dyestuffs and dye intermediates. From April-May 2024, the export of agrochemicals was US\$ 661.18 million, dyes were US\$ 379.61 million and the other dye intermediates were US\$ 27.87 million. Indian colourants industry has emerged as a key player with a global market share of ~15%. The country's chemicals industry is de-licensed, except for a few hazardous chemicals. India has traditionally been a world leader in generics and biosimilars and a major Indian vaccine manufacturer, contributing more than 50% of the global vaccine supply. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at the global level (excluding pharmaceuticals).

From April 2023 to December 2023, India's dye exports (Dyes and Dye Intermediates) totaled US\$ 1.69 billion.

India's proximity to the Middle East, the world's source of petrochemicals feedstock, enables it to benefit on economies of scale.

#### Markets Size

India's chemical sector, which is worth US\$ 220 billion currently, is anticipated to grow to US\$ 300 billion by 2030 and US\$ 1 trillion by 2040. The demand for chemicals is expected to expand by 9% per annum by 2025.

India has traditionally been a world leader in generics and



biosimilars and major Indian vaccine manufacturers, contributing more than 50% of the global vaccine supply. Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.

An investment of Rs. 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025. Specialty chemicals account for 20% of the global chemicals industry's US\$ 4 trillion, with India's market expected to increase at a CAGR of 12% to US\$ 64 billion by 2025. This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries.

The Department of Chemicals & Petrochemicals intends to bring PLI in the chemical & petrochemical sector and will redraft the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) guidelines.

The Indian chemical industry is expected to further grow with a CAGR of 11-12% by 2027, increasing India's share in the global specialty chemicals market to 4% from 3%.

A shift in the global supply chain brought on by the China+1 strategy and a resurgence in domestic end-user demand was expected to fuel significant revenue growth of 18-20% in 2022 and 14-15% in 2023.

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

## CHEMICAL INDUSTRY: EXPLORING NEW OPPORTUNITIES

### 1. ALTERNATIVE AND LOW-COST FEEDSTOCK

- In November 2020, NextChem, and Indian Oil Corp. Ltd. (Indian Oil) signed a memorandum of understanding (MOU) to use NextChem technologies to build industrial projects to support industrialisation of India's sustainable development.
- The projects would emphasis on recycling of plastics, production of biofuels from renewable feedstock and circular fuels and non-recyclable waste chemicals.

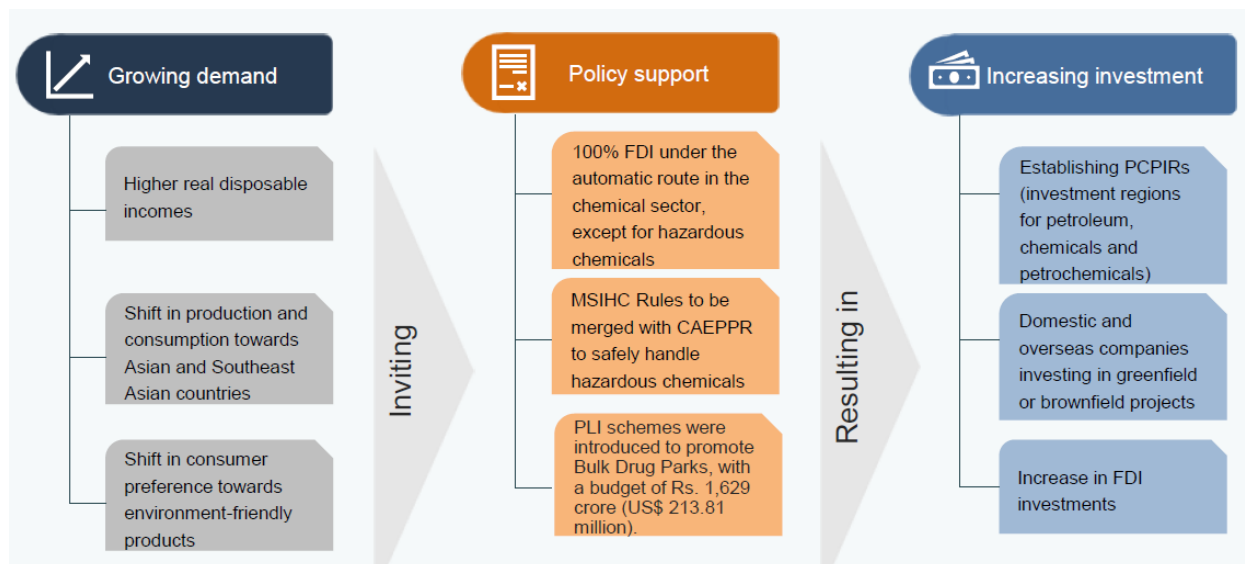
### 2. GLOBAL FOOTPRINT AND CUSTOMER SEGMENTS

- Aarti Industries generates >40% revenue from the global markets.
- UPL has presence in multiple markets with >30% of its revenue generated from Latin America.
- SH Kelkar has completed several strategic acquisitions, including China-based Anhui Ruibang Aroma and Italy's Creative Flavours and Fragrances; this helped expand its portfolio, improve technological platforms and gain access to new markets.

### 3. EXPOSURE TO CUTTING-EDGE TECHNOLOGIES

- Atul Chemicals, partnered with Akzo Nobel to access state-of-the-art eco-friendly hydrogenation technology for monochloroacetic acid (MCA) production in India.

## STRONG DEMAND AND POLICY SUPPORT DRIVING INVESTMENTS



## **ADVANTAGE INDIA**

### **1. GROWING DEMAND**

- Rise in demand from end-user industries such as food processing, personal care and home care is driving the development of different segments in India's specialty chemicals market.
- India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP.
- According to a McKinsey report, Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.
- Exports of Organic and Inorganic Chemicals reached US\$ 4.78 Billion in April-May 2024.

### **2. INCREASING INVESTMENTS AND SPENDING**

- FDI inflows in the chemicals sector (other than fertilizers) reached US\$ 22.146 billion between April 2000-March 2024.
- Prime Minister, Mr. Narendra Modi, laid the foundation stone of development projects worth more than Rs. 50,700 crore (US\$ 6.11 billion) on September 14, 2023.
- An investment of Rs. 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025.
- The "Power and Renewable Energy Manufacturing Zone, Narmadapuram," whose construction is anticipated to cost about Rs. 460 crore (US\$ 55.5 million), would contribute to the economic growth and employment generation of the area.

### **3. POLICY SUPPORT**

- Under the Interim Budget 2024-25 the government allocated Rs. 192.21 crore (US\$ 23.13 million) to the Department of Chemicals and Petrochemicals.
- The PLI plan for the National Programme on Advanced Chemistry Cell Battery Storage has been approved by the Union Cabinet as of May 2021.
- PLI schemes were introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US\$ 213.81 million).
- The Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) set up at Paradip has attracted investments worth US\$ 8.84 billion (Rs.73,518 crores) resulting in employment of about 40,000 people.

### **4. OPPORTUNITIES**

- India's specialty chemicals companies are expanding their capacities to cater to rising demand from domestic and overseas.
- With global companies seeking to de-risk their supply chains, which are dependent on China, the chemical sector in India has the opportunity for a significant growth.
- The Dahej PCPIR project in Bharuch, comprising 180 existing and 650 under construction industrial units has attracted an investment of Rs. 1 lakh crore (~US\$ 12 billion) and is expected to generate 32,000 jobs.
- The Indian chemical industry is currently valued at US\$ 220 billion and is expected to reach US\$ 300 billion by 2030 and US\$ 1 trillion by 2040. This industry remains an active hub of opportunities, even in an environment of global uncertainty.

**(Source: Chemicals Industry Report August, 2024**

**[https://www.ibef.org/download/1726049822\\_Chemicals\\_August\\_2024.pdf](https://www.ibef.org/download/1726049822_Chemicals_August_2024.pdf) )**

#### **Investments and Recent Developments**

A few recent developments/investments in the Indian chemical sector are as follows:

- Exports of Organic and Inorganic Chemicals reached US\$ 4.78 Billion in April-May 2024.
- Imports of organic chemicals were US\$ 2.69 billion and inorganic chemicals US\$ 1.09 billion from April 2024 to May 2024.
- From April 2024 to May 2024, exports of castor oil, essential oil, and cosmetics and toiletries stood at US\$ 765.5 million.

- Major chemical production reached 949.5 million metric tonnes (MMT) in May 2024, while petrochemical production reached 1,820.1 MMT. In May 2024, production levels of various chemicals were as follows: Soda Ash: 250.47 MMT, Caustic Soda: 301.11 MMT, Liquid Chlorine: 212.08 MMT, Formaldehyde: 28.04 MMT, Pesticides and Insecticides: 25.07 MMT.
- In August 2023, the Prime Minister announced a subsidy of Rs. 10 lakh crore (US\$ 120.93 billion) for providing cheaper Urea to farmers.
- In July 2023, Global Chemicals and Petrochemicals Manufacturing Hubs in India (GCPMH 2023) was organized in Delhi, India.
- In June 2023, Himadri Speciality Chemical invested Rs. 58 crore (US\$ 7.01 million) in Sicona Battery Technologies Pty Ltd, (Sydney) for a 12.79% stake.
- In June 2023, Mumbai-based UPL Ltd, will hive off its speciality chemicals business on a slump sale basis to a wholly-owned arm of UPL Speciality Chemicals Ltd for Rs. 3,572 crore (US\$ 431.96 million).
- In June 2023, Reliance plans to invest Rs. 75,000 crore (US\$ 9.06 billion) over 5 years to expand its oil to chemical business.
- Tata Chemicals intended to invest about Rs. 8,000 crore (US\$ 967.45 million) over the next 2-3 years as capex on an expansion spree that includes scaling businesses sustainably.
- In May 2023, Reliance Industries plans to set up a 10 GW solar project in Andhra Pradesh.
- In March 2023, Chennai awaits more bio-CNG plants to enable a switch to clean energy.
- On February 15th, 2023, the Indian Speciality Chemical Manufacturer' Association (ISCMA) signed an MoU with USIIC to promote trade in speciality chemicals.
- In February 2023, the company is setting up a new formaldehyde plant with 300 TPD capacity at the existing manufacturing facility at GIDC, Ankleshwar in Gujarat.
- In January 2023, Tata Chemicals Europe signed a pact with Essar-backed Vertex for the sale of low-carbon hydrogen.
- In December 2022, GMM Pfaudler Ltd entered into an agreement on December 8, 2022, to acquire Mixel France SAS and its wholly owned subsidiary Mixel Agitator Co. Ltd. for US\$ 7.63 million.
- In September 2022, the Royal Society of Chemistry (RSC) and CSIR work together to support chemistry in schools across India.
- In September 2022, Spanish perfume maker Puig acquired a controlling stake in Kama Ayurveda Pvt. owning 85% of the company.
- In May 2022, a global investment firm, PAG acquired Optimus Group along with consortium partners CX Partners and Samara Capital.
- In April 2022, Dorf Ketal, a manufacturer of research-based specialised chemicals acquired Khyati Chemicals for Rs. 300-400 crore (US\$ 36.28 - 48.48 million).
- Advent International acquired a majority position in Avra Labs in January 2022, uniting it with two other businesses it had previously acquired, RA Chem Pharma and ZCL Chemicals.
- In July 2022, NTPC Renewable Energy Limited (NTPC REL) and Gujarat Alkalies and Chemicals Limited (GACL) signed an MoU to establish India's first commercial-scale Green Ammonia and Green Methanol plants.
- In November 2021, Indian Oil Corporation (IOCL) announced plans to invest Rs. 3,681 crore (US\$ 495.22 million) to set up India's first mega-scale maleic anhydride unit for manufacturing high-value speciality chemicals at its Panipat Refinery in Haryana.
- In November 2021, Praj Industries Limited and Indian Oil Corporation inked a memorandum of understanding (MoU) to explore opportunities in the production of alcohol-to-jet (ATJ) fuels, 1G & 2G ethanol, compressed bio-gas (CBG) and related opportunities in the biofuels industry.
- In November 2021, Coromandel International announced plans to set up a 1,650-metric-tonnes-per-day sulphuric acid plant at its fertiliser complex in Visakhapatnam with an investment of Rs. 400 crore (US\$ 53.69 million).
- On September 30, 2021, Prime Minister, Mr. Narendra Modi, inaugurated the CIPET: Institute of Petrochemicals Technology, Jaipur.
- In October 2021, Nayara Energy announced that it expects 15-20 new integrated petrochemical plants to become operational within the next decade in the country, to meet the rising demand for raw materials used in the plastics and clothing industries.
- In October 2021, Rosneft, Russia, launched a large-scale petrochemical production development programme in India with investments worth ~US\$ 750 million at the current implemented stage.
- In September 2021, Bharat Petroleum Corporation (BPCL), announced plans to invest US\$ 4.05 billion, to improve petrochemical capacity and refining efficiencies over the next five years.
- The government is planning to hold roadshows in eight overseas markets for the proposed investors' summit planned in January 2022, with a focus on the petrochemicals sector, and is eager to attract investors to its newly launched Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) near the upcoming crude oil refinery in Pachpadra village (in Barmer district, Rajasthan).

## Government Initiatives

The government has started various initiatives such as mandating BIS-like certification for imported chemicals to prevent dumping of cheap and substandard chemicals into the country.

The Indian government recognises the chemical industry as a key growth element and is forecast to increase share of the chemical sector to ~25% of the GDP in the manufacturing sector by 2025.

- Under the Interim Budget 2024-25 the government allocated Rs. 192.21 crore (US\$ 23.13 million) to the Department of Chemicals and Petrochemicals.
- Government to open 25,000 Jan Aushadhi Kendras to make medicines available at affordable prices.
- In April 2023, the Cabinet approved the National Medical Devices Policy, 2023.
- The Department of Chemicals & Petrochemicals intends to bring PLI in the chemical & petrochemical sector and will redraft the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) guidelines.
- PLI schemes have been introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US\$ 213.81 million).
- The Government of India is considering launching a production-linked incentive (PLI) scheme in the chemical sector to boost domestic manufacturing and exports.
- A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement a production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters.
- In October 2020, the government urged players in the agrochemicals industry to come out with new molecules of global standards for the farmers' benefit, while CropLife India, the industry body, pitched for stable policies and regulatory regimes to boost growth in the sector.
- 100% FDI is allowed under the automatic route in the chemicals sector with few exceptions that include hazardous chemicals. FDI inflows in the chemicals sector (other than fertilizers) reached US\$ 22.146 billion between April 2000-March 2024.
- The government has proposed several incentives for setting up a sourcing or manufacturing platform within an Indian SEZ:
  - Effective April 1, 2020, 100% Income Tax exemption on export income for SEZ units for the first five years, 50% for the next five years thereafter and 50% of the ploughed back export profit for the next five years.
  - Single window clearance for central and state-level approvals.
  - Duty-free import/domestic procurement of goods for development, operation and maintenance of SEZ units.
- In December 2020, the PCPIR policy is being completely redesigned. Under the new PCPIR Policy 2020-35, a combined investment of Rs. 10 lakh crore (US\$ 142 billion) is targeted by 2025, Rs. 15 lakh crore (US\$ 213 billion) by 2030 and Rs. 20 lakh crore (US\$ 284 billion) by 2035 in all PCPIRs across the country. The four PCPIRs are expected to generate employment for ~33.83 lakh people. ~3.50 lakh persons have been employed in direct and indirect activities related to PCPIRs by the end of 2020. The Gujarat Infrastructure Development Corporation (GIDC) has made an investment of around Rs. 17,317 crore (US\$ 2.09 billion) for infrastructure development in the PCPIR.
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(Source: <https://www.ibef.org/industry/chemical-industry-india>)

## TEXTILE INDUSTRY & MARKET GROWTH IN INDIA

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk, and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.





The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

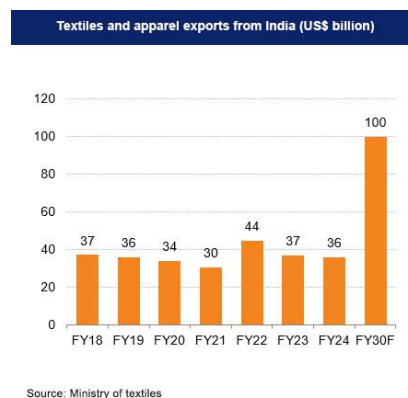
In order to attract private equity and employ more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

## Market Size

The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030. Moreover, India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$100 billion.

The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade.

Textile manufacturing in India has been steadily recovering amid the pandemic. The manufacturing of textiles Index for the month of June 2024 is 106.



Global apparel market is expected to grow at a CAGR of around 8% to reach US\$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US\$ 1.2 trillion by 2030.

India's home textile industry is expected to expand at a CAGR of 8.9% during 2023-32 and reached US\$ 23.32 billion in 2032 from US\$ 10.78 billion in 2023.

The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and is the 5th largest technical textiles market in the world. India's sportech industry is estimated around US\$ 1.17 million in 2022-23.

The Indian Medical Textiles market for drapes and gowns is around US\$ 9.71 million in 2022 and is expected to grow at 15% to reach US\$ 22.45 million by 2027.

The Indian composites market is expected to reach an estimated value of US\$ 1.9 billion by 2026 with a CAGR of 16.3% from 2021 to 2026 and the Indian consumption of composite materials will touch 7,68,200 tonnes in 2027.

India is the world's largest producer of cotton. In the first advances, the agriculture ministry projected cotton output for 2023-24 at 31.6 million bales. According to the Cotton Association of India (CAI), the total availability of cotton in the 2023-24 season has been pegged at 34.6 million bales, against 31.1 million bales of domestic demand, including 28 million bales for mills, 1.5 million for small-scale industries, and 1.6 million bales for non-mills. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.

In 2022-23, the production of fibre in India stood at 2.15 million tonnes. While for yarn, the production stood at 5,185 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$ 138 billion to US\$ 195 billion by 2025.

During FY24, the total exports of textiles (including handicrafts) stood at US\$ 35.9 billion. Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-ups/handloom products, man-made yarns/fabs/made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 35.90 billion in FY24. In FY24, exports of readymade garments including

accessories stood at US\$ 14.23 billion. India's textile and apparel exports to the US, its single largest market, stood at 32.7% of the total export value in FY24.

In FY25 (April- June) the total exports of textiles stood at US\$ 9.17 billion

In FY25 (April-June), exports of readymade garments including accessories stood at US\$ 2,244 million.

India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

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

## 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 Prospectus, including the information contained in the section titled “Risk Factors” on page 20 of this Draft Red Herring 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 20, 139 and 171 of this Draft Red Herring Prospectus.

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

### OVERVIEW

Our Company was originally incorporated on July 09, 2021 as a Private Limited Company as “Shlokka Dyes Private Limited” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Ahmedabad. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on October 08, 2024 our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Shlokka Dyes Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 11, 2024 by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24299GJ2021PLC124004.

Our Company is engaged in the business of manufacturing of “Reactive Dyes”, a category of Synthetic Organic Dyes extensively utilized in the textile industry. We pride ourselves on offering a diverse portfolio of dyes, including Direct Dyes, Basic Dyes, Vat Dyes, Digital Printing Dyes, and Paper Dyes etc., catering to wide range of industries such as textiles, leather, paper, and paints etc., Our Reactive Dyes are available in primary colors such as black, blue, red, orange, and yellow, along with numerous variants of these shades, each identified by an internationally recognized Color Index Number. These dyes are suitable for a broad spectrum of textile applications, including cotton fabrics, garments, dress materials, bed sheets, and carpets. With their versatile applications and superior quality, our dyes provide reliable solutions to meet the diverse needs of our clients across various industries.

Our manufacturing facility, situated in the state of Gujarat, holds ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management) and ISO 45001:2018 (Occupational Health & Safety) certification in the manufacturing of Dyes and Intermediates. Our manufacturing facility situated at C/54, GIDC, Saykha, Dist. Bharuch – 392140 which is admeasuring land spread across approximately 5000 sq. meter. together with construction of factory shed/building of about 5731.81 sq. metre. It boasts a robust installed capacity of 9000 MT per annum, enabling us to meet diverse client demands effectively. Further, Our Manufacturing Facilities are equipped with requisite machineries and in-house testing Laboratory to keep a constant check on quality of our product.

We are led by Mr. Vaibhav Pravinchandra Shah, Promoter and Managing director, and Ms. Shivani Shivilal Rajpurohit, Promoter and Executive director of the company. Mr. Vaibhav Shah possessed significant More than 25 years of experience in the Dyes Industry. Mr. Vaibhav Shah has joined his family business in the name of Vaibhav Dyestuff Industries, a Partnership Firm, which was also into Dyes and Intermediaries business. He gained immense experience in areas of Production and Marketing between 1998 to 2010. In 2011, he started his own entrepreneurial venture namely “Equinox Impex”, is a 2-star registered export house with access to clients from 21 countries including India. The co-promoter of our Company, Ms. Shivani Shivilal Rajpurohit has joined our journey since its inception. The extensive combined experience of our Promoters has been instrumental in shaping the vision and growth strategies of our company.

We believe that our ability to market our products effectively is a result of adhering to the vision set by our Promoters and senior management, combined with their expertise and knowledge of the industry, who are actively involved in the day-to-day affairs of our Company’s operations adding valuable knowledge and experience required for sustainable growth. Due to their hard work and expertise in the field of dyes and



Intermediaries they had imprint their name in the manufacturing of Dyes and Auxiliaries products along with client requirement and specialised solutions to each customer in the Indian and overseas market.

### **Our Products:**

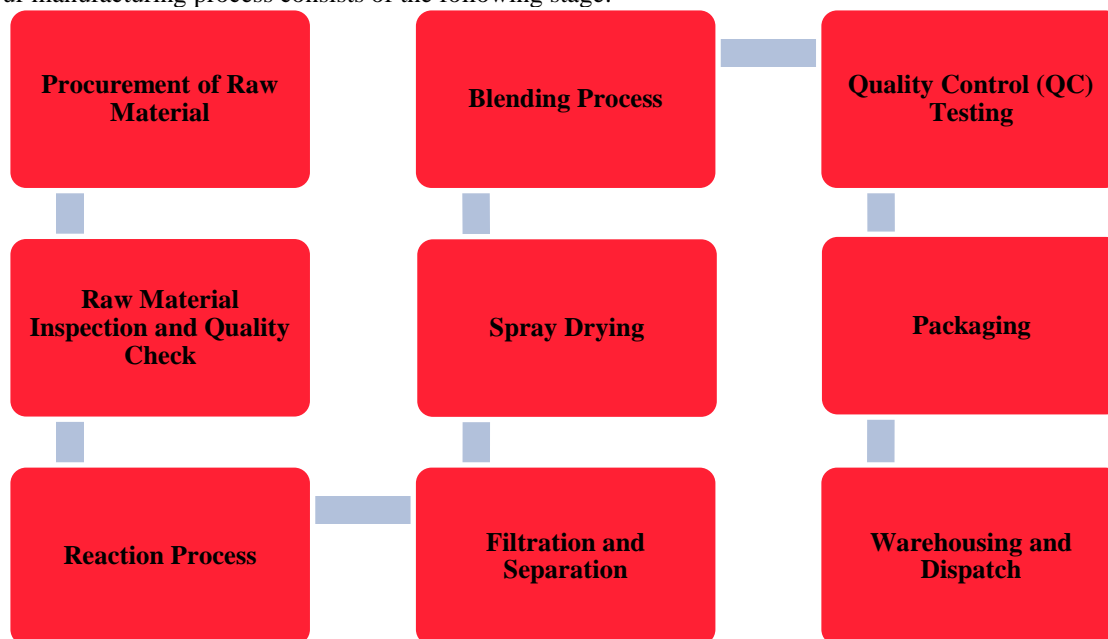
Our company has produced Range of product, some of their name is as under:

PRODUCT NAME	CI NAME	COLOR	PRODUCT NAME	CI NAME	COLOR	PRODUCT NAME	CI NAME	COLOR
SHLOKKAZOL BRILL YELLOW MX 8G	YELLOW 86		SHLOKKAZOL RED P8B	RED 31		SHLOKKAZOL RED HE8B	RED 152	
SHLOKKAZOL YELLOW MX-4G	YELLOW 22		SHLOKKAZOL RED P8BN	RED*		SHLOKKAZOL BLUE HERD	BLUE 160	
SHLOKKAZOL GOLDEN YELLOW MX-R	YELLOW 44		SHLOKKAZOL MAGENTA PB	VIOLET 13		SHLOKKAZOL BLUE HEGN	BLUE 195	
SHLOKKAZOL GOLDEN YELLOW MX-3R	ORANGE 86		SHLOKKAZOL TURQ BLUE H5G	BLUE 25		SHLOKKAZOL TURQUISE BLUE HA	BLUE 71	
SHLOKKAZOL YELLOW MX-4R	ORANGE 14		SHLOKKAZOL TURQ BLUE PGR	BLUE 72		SHLOKKAZOL GREEN HE4BD	GREEN 19	
SHLOKKAZOL BRILL ORNAGE MX-2R	ORANGE 4		SHLOKKAZOL BLUE P3R	BLUE 49		SHLOKKAZOL GREEN HE4B	GREEN 19A	
SHLOKKAZOL BRILL RED MX-5B	RED 2		SHLOKKAZOL BLUE H5R	BLUE 13		SHLOKKAZOL NAVY BLUE HER	BLUE 171	
SHLOKKAZOL BRILL RED MX-8B	RED 11		SHLOKKAZOL PURPLE P3R	VIOLET 1		SHLOKKAZOL NAVY BLUE HE2R	BLUE 172	
SHLOKKAZOL BRILL MAGENTA MX-B	VIOLET 13		SHLOKKAZOL NAVY BLUE RX	BLUE 79		SHLOKKAZOL YELLOW FG	YELLOW 42	
SHLOKKAZOL BRILL VIOLET MX-4R	VIOLET 14		SHLOKKAZOL NAVY BLUE R2R	BLACK 39		SHLOKKAZOL YELLOW GR	YELLOW 15	
SHLOKKAZOL BRILL BLUE MX-R	BLUE 49		SHLOKKAZOL RED BROWN H4R	BROWN 9		SHLOKKAZOL GO YELLOW RNL H/C	ORANGE 107	
SHLOKKAZOL BLUE MX-2R	BLUE 81		SHLOKKAZOL BLACKHN	BLACK 8		SHLOKKAZOL GO YELLOW R	YELLOW 201	
SHLOKKAZOL NAVY BLUE MX-3R	BLUE 9		SHLOKKAZOL BLACK PGR	BLACK*		SHLOKKAZOL YELLOW 3RF	YELLOW *	
SHLOKKAZOL YELLOW H6G	YELLOW 95		SHLOKKAZOL YELLOW HE6G	YELLOW 135		SHLOKKAZOL BRILL ORANGE 3R	ORANGE 16	
SHLOKKAZOL YELLOW H4G	YELLOW 18		SHLOKKAZOL YELLOW HE4G	YELLOW 81		SHLOKKAZOL BRILL ORANGE 2R	ORANGE 7	
SHLOKKAZOL GO YELLOW P2RN	ORANGE 12		SHLOKKAZOL GO YELLOW HE4R	YELLOW 84		SHLOKKAZOL BRILL RED 5B	RED 35	
SHLOKKAZOL ORANGE P2R	ORANGE 13		SHLOKKAZOL GO YELLOW HER	YELLOW 84 A		SHLOKKAZOL RED RB	RED 198	
SHLOKKAZOL RED PB	RED 24		SHLOKKAZOL ORANGE HER	ORANGE 84		SHLOKKAZOL RED BB	RED 21	
SHLOKKAZOL RED P2B	RED 45		SHLOKKAZOL ORANGE HE2R	ORANGE 86		SHLOKKAZOL RED BS H/C	RED 111	
SHLOKKAZOL RED P4B	RED 245		SHLOKKAZOL RED HE3B	RED 120		SHLOKKAZOL BRILL VIOLET 5R H/C	VIOLET 5	
SHLOKKAZOL RED P6B	RED 76		SHLOKKAZOL RED HE7B	RED 141		SHLOKKAZOL TURQ BLUE G	BLUE 21	
SHLOKKAZOL YELLOW EGB			SHLOKKAZOL RED RR			SHLOKKAZOL DEEP RED CE-ED		
SHLOKKAZOL ULTRA YELLOW EGB			SHLOKKAZOL BLUE RR			SHLOKKAZOL CHERRY RED SD		
SHLOKKAZOL ORANGE EGB			SHLOKKAZOL YELLOW EQ			SHLOKKAZOL RUBY S3B		
SHLOKKAZOL ULTRA ORANGE EGB			SHLOKKAZOL DEEP YELLOW EQ			SHLOKKAZOL OCEAN SR		
SHLOKKAZOL SCARLET EGB			SHLOKKAZOL RED EQ			SHLOKKAZOL DK BLUE SGL		
SHLOKKAZOL ULTRA CARAMINE EGB			SHLOKKAZOL BLUE EQ			SHLOKKAZOL NAVY EBXL		
SHLOKKAZOL ULTRA RED EGB			SHLOKKAZOL GRAYEQ			SHLOKKAZOL NAVY SGI		

SHLOKKAZOL DEEP RED EGB			SHLOKKAZOL GOLD EQ		SHLOKKAZOL DEEP NIGHT SR		
SHLOKKAZOL RED EGB			SHLOKKAZOL ORANGE EQ		SHLOKKAZOL SUPER BLACK R		
SHLOKKAZOL ULTRARUBINE EGB			SHLOKKAZOL MAROON EQ		SHLOKKAZOL SUPER BLACK G		
SHLOKKAZOL BLUE EGB			SHLOKKAZOL NAVY EQ		SHLOKKAZOL BLACK ENN		
SHLOKKAZOL NAVY BLUE EGB			SHLOKKAZOL PACIFIC EQ		SHLOKKAZOL BLACK WF		
SHLOKKAZOL GRAY EGB			SHLOKKAZOL SPACE EQ		SHLOKKAZOL YELLOW EX-D		
SHLOKKAZOL DEEP BLACK N150			SHLOKKAZOL BLACK EQ		SHLOKKAZOL RED EX-D		
SHLOKKAZOL CARBON EGB			SHLOKKAZOL SUPER BLACK EQ		SHLOKKAZOL BLUE EX-D		
SHLOKKAZOL ONYX EGB			SHLOKKAZOL LEMON YELLOW S3G		SHLOKKAZOL LEMON YELLOW EX		
SHLOKKAZOL MIDNIGHT BLACK EGB			SHLOKKAZOL YELLOW S3R		SHLOKKAZOL YELLOW EX		
SHLOKKAZOL DEEP BLACK EGBN			SHLOKKAZOL ORNAGE S4R		SHLOKKAZOL ORANGE EX		
SHLOKKAZOL YELLOW RR			SHLOKKAZOL ORANGE W3R		SHLOKKAZOL SCARLET EX		
SHLOKKAZOL ORANGE RR			SHLOKKAZOL DEEP ORANGE S4R		SHLOKKAZOL RED EX		
SHLOKKAZOL TURQ BLUE G 266%	BLUE 21		SHLOKKAZOL RED S2B		SHLOKKAZOL BRILL RED EX		
SHLOKKAZOL TURQ BLUE G H2GP	BLUE *		SHLOKKAZOL RED SB		SHLOKKAZOL NAVY BLUE EX		
SHLOKKAZOL BLUE BB	BLUE 220		SHLOKKAZOL BLUE EX		SHLOKKAZOL RED ME4BL	RED 195	
SHLOKKAZOL BLUE 3R	BLUE 28		SHLOKKAZOL ROYAL BLUE EX		SHLOKKAZOL RED ME6BL	RED 250	
SHLOKKAZOL BLUE R SPL	BLUE 19		SHLOKKAZOL YELLOW SS		SHLOKKAZOL VIOLET ME2RL	VIOLET*	
SHLOKKAZOL BROWN GR	BROWN 18		SHLOKKAZOL ORANGE SS		SHLOKKAZOL BLUE S	BLUE *	
SHLOKKAZOL NAVY BLUE EGB	BLUE 250		SHLOKKAZOL RED SS		SHLOKKAZOL BLUE MERF 150%	BLUE 221	
SHLOKKAZOL NAVY BLUE GG	BLUE 203		SHLOKKAZOL RUBINE SS		SHLOKKAZOL BLUE ME2GL	BLUE 194	
SHLOKKAZOL BLACK RL	BLACK 31		SHLOKKAZOL DK BLUE SS		SHLOKKAZOL BLACK ME2RL	BLUE 248	
SHLOKKAZOL BLACK B	BLACK 5		SHLOKKAZOL NAVY BLUE SS		SHLOKKAZOL NAVY BLUE MEBL H/C	BLUE 223	
SHLOKKAZOL YELLOW ME4GL H/C	YELLOW 186		SHLOKKAZOL YELLOW SPD		SHLOKKAZOL BLACK ENN CONC		
SHLOKKAZOL YELLOW MERL H/C	YELLOW 145		SHLOKKAZOL RED SPD		SHLOKKAZOL BLACK EX		
SHLOKKAZOL ORANGE ME2RL H/C	ORANGE 122		SHLOKKAZOL BLUE SPD		SHLOKKAZOL BLACK WF		
SHLOKKAZOL RED MERK	RED 222A		SHLOKKAZOL BLACK GDNN		SHLOKKAZOL BLACK WF CONC		
SHLOKKAZOL RED 3GXL	RED 223		SHLOKKAZOL BLACK DCI		SHLOKKAZOL BLACK BNC		
SHLOKKAZOL RED ME3BL H/C	RED 194		SHLOKKAZOL BLACK ENN		SHLOKKAZOL SUPER BLACK R		

## OUR MANUFACTURING PROCESS

Our manufacturing process consists of the following stage:



### Process steps:

#### 1. Procurement of Raw Material

Raw materials are sourced from certified vendors, ensuring that they meet our strict quality standards. We use SAP and ERP systems to monitor raw material batches, guaranteeing full traceability and compliance with specifications. Our production and sales teams work closely together to forecast demand and place raw material orders accordingly. This collaboration helps us maintain an efficient inventory level. Materials are tracked using SAP for accurate inventory control and to implement FIFO (First-In-First-Out) management. We maintain an optimal level of inventory to meet customer demand while minimizing excess stock.

#### 2. Raw Material Inspection, Quality Check and Storage

Once the raw materials are procured from suppliers, it is stored in our manufacturing facility having adequate storage capacity. Our technical team ensures that the raw materials we procured are meeting the quality standards. All materials procured or manufactured at our site are weighed and dispensed through Automated Dispensing System, according to the formula, ensuring accuracy and consistency across batches and only after the approval of the purity, the same are used for further process.

ERP Tracking: The dispensing is logged in SAP for traceability and monitoring of materials used per batch.

For detailed raw material inspection, once the raw material received in our premises, please refer page no . 103 of the Chapter title “Business Overview” of Draft Red Herring Prospectus.

#### 3. Reaction Process

- **Reactors:** Materials are transferred to reactors, where specific reactions (like sulfonation, chlorination, or condensation) are carried out under controlled temperature and pressure conditions.
- **Automated Control Systems:** Reaction parameters are monitored by advanced control systems integrated with SAP for real-time tracking and quality assurance.
- **Sampling and Testing:** Samples are taken mid-reaction and tested for critical parameters to ensure the process is on target.

#### 4. Filtration and Separation

- **Filtration Equipment:** The reaction mixture is filtered to separate solids from liquids, utilizing filter presses for efficient and high-quality filtration.
- **Quality Checks:** The filtered product undergoes basic tests to ensure it meets initial quality parameters.

## 5. Spray Drying

- **Spray Dryer:** The filtered slurry is fed into a spray dryer where it is dried to a fine powder. Precise temperature and airflow control ensure consistent particle size and moisture content.
- **SAP ERP Tracking:** Each batch is documented in SAP, tracking details of drying parameters and ensuring the consistency of the end product.

## 6. Blending Process

Blending is performed to ensure uniformity and achieve the desired quality specifications, particularly in terms of colour shade, strength, and particle distribution. In that process each batch Spray-dried powder is collected and transferred to the blending area. Industrial blenders are used to mix the powder thoroughly, ensuring that all particles are evenly distributed. if required, Minor adjustments are made by adding specific quantities of other dye components or additives, to achieve the exact shade or quality as specified. every step, including any adjustments made, is documented in SAP for full traceability and quality compliance. During blending, samples are taken for quality testing to ensure the blend meets color strength, shade, and consistency standards.

## 7. Quality Control (QC) Testing:

- **Comprehensive Testing:** Blended samples undergo detailed quality testing using tools like spectrophotometers, UV spectrometers, and colorimeters to verify color strength and shade consistency.
- **Certification:** After passing QC, each batch receives a quality certification and is approved for packaging.
- **SAP QC Module:** All test results and batch certification are logged in SAP, ensuring comprehensive quality tracking and reporting.

For detailed Quality Control Process of our Company, please refer page no. 101 of the Chapter title “Business Overview” of Draft Red Herring Prospectus.

## 8. Packaging:

- **Automated Packaging Lines:** Product is packed in 25 kg corrugated boxes, 25 kg HDPE bags, 25 kg HDPE drums, 50 kg HDPE bags, 500 kg jumbo bags, or 25 kg MS drums as per customer specifications. Packaging is meticulously carried out to ensure product safety and minimize environmental leakage.
- **Labelling and SAP Integration:** Each package is labelled with batch information and tracked through SAP to ensure proper inventory management and traceability.

## 9. Warehousing and Dispatch:

Finished goods are stored in the warehouse inside the premises itself in a controlled environment, organized by batch in SAP to facilitate efficient inventory control. Products are dispatched as per customer order specifications, with SAP tracking each shipment for complete traceability.

## OUR MANUFACTURING FACILITY

### OUR FACTORY



### The product-wise revenue bifurcation:

Product wise revenue bifurcation for the period ending October 31, 2024, Fiscal 2024 and Fiscal 2023 respectively as hereunder:

(₹ in lakhs except for percentages)

Particulars	Period ended October 31, 2024	% of revenue from operations	Fiscal 2023-24	% of revenue from operations	Fiscal 2022-23	% of revenue from operations
	Amount	%	Amount	%	Amount	%
Reactive Black	3,142.72	54.70%	3,550.80	57.95%	212.53	24.24%
Reactive Red	786.03	13.68%	486.94	7.95%	28.51	3.25%
Reactive Yellow	512.78	8.92%	522.41	8.53%	36.01	4.11%
Reactive Orange	377.38	6.57%	144.75	2.36%	2.03	0.23%
Reactive Blue	354.83	6.18%	596.53	9.74%	116.45	13.28%
Direct Dyes	308.87	5.38%	444.65	7.26%	-	0.00%
J Acid	124.09	2.16%	-	0.00%	-	0.00%
Acid Dyes	47.05	0.82%	51.37	0.84%	-	0.00%
Optical	44.25	0.77%	36.19	0.59%	-	0.00%
K Acid	26.96	0.47%	21.00	0.34%	21.01	2.40%
M P D S A	11.56	0.20%	-	0.00%	87.63	9.99%
Reactive Magenta	2.90	0.05%	-	0.00%	0.18	0.02%
Rective Green	2.84	0.05%	3.78	0.06%	-	0.00%
Reactive Brown	2.04	0.04%	8.20	0.13%	-	0.00%
N Ethilin Meta Base Ester	-	-	62.68	1.02%	-	0.00%
N Ethilin Para Base Ester	-	-	59.28	0.97%	-	0.00%
Reactive Violet	-	-	1.26	0.02%	3.98	0.45%
Vinyl Sulphone Ester	-	-	-	0.00%	174.36	19.89%
H Acid	-	-	-	0.00%	84.24	9.61%
Sodium Nitrite	-	-	-	0.00%	12.53	1.43%
Cynuric Chloride	-	-	-	0.00%	6.30	0.72%
Direct Black	-	-	-	0.00%	2.23	0.25%
Miscellaneous	1.24	0.02	137.70	2.25%	88.82	10.13%
<b>Total</b>	<b>5,745.54</b>	<b>100.00%</b>	<b>6,127.53</b>	<b>100.00%</b>	<b>876.80</b>	<b>100.00%</b>

Note: Our production has been started from the Fiscal 2022-23 hence, there is no Revenue in the fiscal 2021-22 i.e. First Financial year.



As certified by the Statutory and Peer Reviewed Auditor of our Company M/s Patel & Panchal, Chartered Accountants vide their certificate with UDIN: 24114164BKAHQK6389 dated December 7, 2024.

### Revenue Bifurcation

Currently, our company selling its products majorly within India. The Revenue Bifurcation of our products is as follows:

(₹ in lakhs except for percentages)

Particulars	period ended October 31, 2024	% of revenue from operations	Fiscal 2023-24	% of revenue from operations	Fiscal 2022-23	% of revenue from operations
<b>India (Total Domestic Sale)</b>	<b>5745.54</b>	<b>100.00%</b>	<b>5618.65</b>	<b>91.70%</b>	<b>876.80</b>	<b>100.00%</b>
Gujarat	4934.61	85.89%	5169.87	84.37%	876.80	100.00%
Punjab	88.52	1.54%	88.38	1.44%	-	0.00%
Maharashtra	722.41	12.57%	360.40	5.88%	-	0.00%
<b>International Sale</b>	<b>-</b>	<b>0.00%</b>	<b>508.87</b>	<b>8.30%</b>	<b>-</b>	<b>0.00%</b>
Uzbekistan	-	0.00%	508.87	8.30%	-	0.00%
<b>Revenue from Operations</b>	<b>5745.54</b>	<b>100.00%</b>	<b>6127.53</b>	<b>100.00%</b>	<b>876.80</b>	<b>100.00%</b>

Note\*: Our production has been started from the Fiscal 2022-23 hence, there is no Revenue in the fiscal 2021-22 i.e. First Financial year

As certified by the Statutory and Peer Reviewed Auditor of our Company M/s Patel & Panchal, Chartered Accountants vide their certificate with UDIN: 24114164BKAHQG6184 dated December 7, 2024.

### Bifurcation of revenue from trading and manufacturing:

In case if we have surplus raw material, we may allocate such products into trading business. Our revenue from manufacturing and trading activities are set out as under:

(₹ in lakhs except for percentages)

Particulars	Period ended October 31, 2024	Fiscal 2024	Fiscal 2023
Revenue from Manufacturing Operations	5582.92	5984.58	490.74
Manufacturing Operations as a % of revenue from operations	97.17%	97.67%	55.97%
Revenue from Trading Operations	162.62	142.95	386.06
Trading Operations as a % of revenue from operations	2.83%	2.33%	44.03%
<b>Total</b>	<b>5745.54</b>	<b>6127.53</b>	<b>876.80</b>
as a % of revenue from operations	100%	100%	100%

Note\*: Our production has been started from the Fiscal 2022-23 hence, there is no Revenue in the fiscal 2021-22 i.e. First Financial year

As certified by the Statutory and Peer Reviewed Auditor of our Company M/s Patel & Panchal, Chartered Accountants vide their certificate with UDIN: 24114164BKAHQO7949 dated December 7, 2024.

### Customer:

The table below sets forth are contribution of our top (10) ten customers (the identities of which varied between the financial years) for the period ending October 31, 2024, Fiscal 2024, and Fiscal 2023 respectively and its percentage of revenue from operations.

(₹ in lakhs except for percentages)

Period	Revenue from Operation	Revenue contribution of our top 10 customers	% Revenue contribution of our top 10 customers*
Period ended October 31, 2024	5745.54	5745.54	100%
Fiscal 2024	6127.53	6116.62	99.82%
Fiscal 2023	876.80	876.80	100.00%

Note: Our production has been started from the Fiscal 2022-23 hence, there is no Revenue in the fiscal 2021-22 i.e. First Financial year.

As certified by the Statutory and Peer Reviewed Auditor of our Company M/s Patel & Panchal, Chartered Accountants vide their certificate with UDIN: 24114164BKAHQ6955 dated December 7, 2024.

### **Supplier:**

The table below sets forth are significant portion of our purchase from top Ten (10) suppliers (the identities of which varied between the financial years) for the period ending October 31, 2024, Fiscal 2024 and Fiscal 2023 respectively.

(₹ in lakhs except for percentages)

Period	Total Purchase	Purchase from Top Ten (10) suppliers	% of Total Purchase
Period ended October 31, 2024	4779.30	3875.15	81.08%
Fiscal 2024	4942.33	3099.15	62.08%
Fiscal 2023	1076.52	919.31	85.40%

Note\*: Our production has been started from the Fiscal 2022-23 hence, there is no supply in the fiscal 2021-22 i.e. First Financial year.

As certified by the Statutory and Peer Reviewed Auditor of our Company M/s Patel & Panchal, Chartered Accountants vide their certificate with UDIN: 24114164BKAHQ6955 dated December 7, 2024.

## **OUR COMPETITIVE STRENGTH**

The Company endeavours for better quality products that would enable the business to grow into one of the leading dye manufacturers in the region and an established player in the market. The Company's products are acceptable by customers including overseas companies.

### **1. Quality Assurance:**

Our Company ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified for quality management system, occupational health & safety management system and environment management system and to comply with the norms we strive hard to maintain quality standards of our product. Quality assurance and quality control are integral part of our manufacturing operations. We believe that quality is an ongoing process of building and sustaining relationship. Our testing laboratory is equipped with all necessary infrastructure to test raw material and finished goods. We inspect the entire process ensuring quality of our products is maintained. Keeping in view of the expectations of our customers for the quality of our products, we take special care from procuring raw material to packing of finished goods.

We believe that we employ an extensive and stringent quality control through our in-house fully equipped Laboratory for testing of our products at each stage of the manufacturing process for Precision including High-Performance Liquid Chromatography (HPLC) to analyze and confirm the purity of raw materials & finished goods, colour Consistency and Shade Matching test, Light and Wash Fastness test, Heat and Alkali Stability test, Automatic Dispenser, Dyeing Bath, Printing Magnate Machine to analyse and test printing compatibility, and many more test, which are required to ensure that our finished product conforms with the exact requirement of our customers and successfully passes all validations and quality checks.

### **2. Experienced Promoters with sound market knowledge:**

Our promoter Mr. Vaibhav Shah has more than 25 Years of experience Dyes and Auxiliaries products. Their relations with suppliers and customers are excellent. Marketing Strategy and management acumen have been useful in implementing the growth strategy. We get the benefit from the experience of the promoter and core management team who are actively involved in the day-today affairs of our Company's operations adding valuable knowledge and experience required for sustainable growth. Further, the Company has able technical personnel with the requisite skills, technical know-how and understanding of the industry and complete control over quality of the products being manufactured at its facilities.

### **3. An integrated production process:**

Our state-of-the-art manufacturing facility use the latest technology and techniques to produce our final products efficiently, safely, and with high quality. We have an integrated production process whereby it will have complete control over final products, quality, cost and output time. Our Company is dedicated towards quality of products, processes and inputs; we get repetitive orders from our buyers, as we are capable of meeting their quality standards.

#### **4. Locational Advantage**

The manufacturing facility of the Company is located at Saykha, Dist. Bharuch, Gujarat. Which is part of PCPIR Stands for Petroleum, Chemicals & Petro Chemical Investment Region, a specifically delineated investment region planned for the establishment of production facility for chemical industry under Gujarat Special Investment Region Act 2009. We ensure that our manufacturing processes meet all environment, health and safety standards. The required skilled labour, raw material, technology, transportation, etc. for manufacturing are easily available due to extensive industrialization in the area.

#### **5. Cordial relations with Customers.**

Our business and growth are significantly depending on our ability to maintain the healthy client relationship. We understand the dye industry is highly competitive and maintaining healthy relationship with them will help us to beat the competition. We have gained significant experience and have established track record and reputation for efficient and timely delivery of our product and services. The customer centric approach of the promoters is one of the key factors for the development of the business of the Company.

#### **6. Our Company is committed to High-Quality, Versatile Products with International Certifications.**

Our company's competitive strength lies in our commitment to producing high-quality, durable, and versatile products that meet the diverse needs of our customers across various industries. We ensure that all our products are manufactured with strict adherence to international quality standards, including ISO, GOTS, and ZDHC certifications. This focus on quality, coupled with our innovative processes and sustainable practices, positions us as a trusted leader in the industry, offering solutions that not only meet but exceed customer expectations while maintaining compliance with the highest environmental and safety standards.

### **OUR BUSINESS STRATEGY**

#### **1. Improve Operational efficiencies by focusing on maximum utilization of installed capacity of our manufacturing unit:**

Our growth strategy is centered around improving operational efficiencies, which will directly enhance the profitability of the Company. To achieve this, we plan to implement various measures, such as reducing the consumption of disposable items and minimizing waste. By optimizing our processes, we aim to achieve greater integration across operations and strengthen our supply chain management.

We are also focused on increasing our production capacity, which includes expanding both our manufacturing capabilities and quality control practices. Currently, our production capacity stands at 9,000 MT per annum. However, for the period ending October 31, 2024, our utilization was 2,417.39 MT, which is only 46% of the total capacity. For Fiscal 2024 and Fiscal 2023, our capacity utilization was 2462.22 and 188.75 Mtpa respectively, which is 27% and 2%, respectively. The Company is actively working towards fully utilizing its production capacity by expanding our product portfolio within existing segments and exploring opportunities in new business segments.

Additionally, we plan to develop new products and variants of existing products to diversify our offerings. This will allow us to meet the evolving needs of our customers while leveraging our existing ability to customize products according to client specifications.

#### **2. Expanding Product Lines and Tapping into Growing Markets**

Our business strategy focuses on developing new product lines, including eco-friendly and sustainable Reactive and Synthetic Organic Dyes, to meet the increasing global demand for environmentally conscious solutions. We also aim to expand our presence in niche markets by offering specialized dye applications tailored to specific industries.

Additionally, we recognize the growing demand for Reactive dyes and intermediaries in the Indian textile industry, presenting significant opportunities for us to increase our market share. We plan to capitalize on this demand by strengthening our supply to rapidly expanding sectors such as apparel, home textiles, technical textiles, dyeing houses, digital printing, and the paper industry. By diversifying our product portfolio and targeting high-growth markets, we aim to drive long-term business growth and strengthen our position as a leading provider of innovative dye solutions.



### 3. Geographical Expansion Strategy

To meet the growing demand from our existing customers and tap into new markets, we plan to expand our geographical reach and supply our products globally. Our strategy involves entering new regions, with a particular focus on emerging markets where industries are rapidly growing, offering significant opportunities for our products. We aim to strengthen our marketing and sales teams, strategically positioning them in key regions to better serve local customers while also cultivating relationships with new clients. By expanding our sales force and developing region-specific marketing strategies, we will be able to effectively cater to diverse customer needs and maintain strong relationships with our existing client base.

Additionally, we intend to leverage global trade agreements and government incentives to facilitate exports and enhance our market penetration. Expanding into regions with favorable economic conditions, such as Southeast Asia, Africa, and Latin America, will enable us to capitalize on increasing industrialization, infrastructure development, and demand for our products.

Through this geographical expansion, we aim to significantly grow our market share, enhance brand visibility, and establish a strong presence in key global markets, positioning us as a leading player in the international dye and chemical industry.

### 4. Enhancing branding, promotional and marketing activities

Leveraging our extensive presence and operational scale, we are committed to enhancing our branding, promotional, and marketing efforts to increase visibility in the global dyes and intermediaries' industry. Our goal is to strengthen our brand recognition and cultivate long-term customer loyalty, ultimately expanding our market share in both existing and new markets. To achieve this, we will invest in targeted marketing campaigns, including digital marketing, social media engagement, and industry-specific trade shows and exhibitions. These initiatives will enable us to connect with key stakeholders, raise awareness about our product offerings, and highlight our commitment to quality, sustainability, and innovation.

Additionally, we plan to foster strong customer relationships by offering personalized services, value-added solutions, and timely customer support. This will not only help us retain existing clients but also attract new customers across diverse industries, including textiles, apparel, home textiles, and technical textiles. By strategically enhancing our marketing and promotional activities, we aim to position ourselves as a leading brand in the dyes and intermediates sector, driving both customer acquisition and long-term business growth.

### QUALITY CONTROL (QC) PROCESS:

Our QC team is composed of experienced and qualified chemist who specialize in reactive dyes. With their expertise, they ensure each batch of product meets the highest standards for quality, consistency, and performance.

#### 1. Sample Collection and Preparation:

- **Sampling Protocol:** Samples are collected from various stages, including raw materials, in-process materials, and finished products, to maintain quality at each production step.
- **Sample Preparation:** The collected samples are carefully prepared according to standardized procedures, ensuring that they are representative and suitable for precise testing.

#### 2. Advanced Instrumentation for Precision:




- **Data Color Spectrophotometers** (2 units): Essential for color matching and accurate shade measurement to ensure color consistency.
- **UV Spectrophotometer:** Used to measure absorption levels, which helps determine purity and concentration of dyes, ensuring the right formulation and performance.
- **Automatic Dispenser:** Allows precise measurement and dispensing of chemicals for consistent and efficient formulation processes.
- **Dyeing Bath (Lab Dyeing Machine):** Used to simulate the dyeing process and test how well the dye performs on fabrics, helping our team to test color fastness and compatibility across a range of




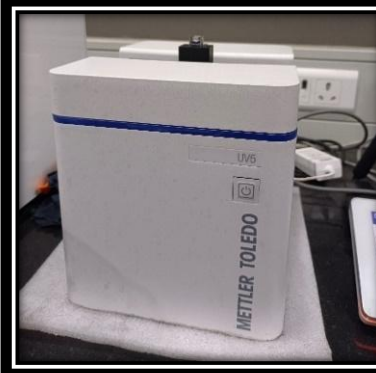


substrates.

- **Printing Magnate Machine:** Used to simulate the application of dyes in textile printing, ensuring the dye performs well under various printing processes by assessing color depth, sharpness, and adherence to fabric.
- **Additional QC Instruments:**
  - **Viscometer:** To measure the viscosity of dye solutions for controlled application consistency.
  - **pH Meter:** Ensures the pH of dye solutions is within optimal ranges to maintain stability and performance.
  - **Conductivity Meter:** Measures ionic concentration, essential for assessing dye solubility and compatibility.
  - **Color Assessment Booth:** Provides standardized lighting conditions for accurate visual color assessments.
  - **Drying Oven:** For controlled drying of samples, allowing us to evaluate dye properties in various states.

### 3. Testing and Verification Process:

- Each dye batch undergoes a multi-step testing process in line with **international standards**. This includes tests for:
  - **Color Consistency and Shade Matching:** Achieved through spectrophotometer analysis. the sample's color is compared against a reference color standard. Any deviation from the reference is measured, and adjustments are made if needed.
  - **Strength and Purity:** The UV-Vis Spectrophotometer provides data on the dye's absorbance, helping ensure the color strength and purity meet the required specifications.
  - **Light and Wash Fastness:** Ensures the dye retains its color when exposed to light and multiple washes.
  - **Heat and Alkali Stability:** Guarantees stability of the dye in different environmental conditions.
  - **Eco-friendliness Compliance:** Verified through ZDHC Level 3 guidelines to maintain low toxicity and eco-sustainability.
  - **International Protocol Adherence:** We rigorously follow the international standards to ensure safety and environmental responsibility.

		
<p>Machinery Name: Auto HPLC machine Location in Plant: Analytic Lab</p>	<p>Machinery Name: Water Demineralized Machine Location In Plant: Laboratory Use: For HPLC Water Demineralized &amp; Numaratical Lab</p>	<p>Machinery name: colour matching Location in plant: laboratory</p>

		
Machinery Name: Spectro 750 Data color Location In Plant: Lab Use: for testing	Machinery Name: PH meter Location in plant: Lab Use: to check PH from batch liquid	Machinery Name: Steamer for Printing Location In Plant: Labouritory
		
Machinery name: Mettlet Toledo Location in plant: lab Use: for testing dyes in liquid form	Machinery name: printing machine Location in plant: Lab Use: To take print of fabric	Machinery Name: Metter Toledo Weighing scale Location in plant: LAB capacity: 0.01 to 250 grams Use: For Weigt Dye for Testing

## UTILITIES & INFRASTRUCTURE FACILITIES:

### Raw Material:

The raw materials we use in our manufacturing process are majorly sourced from suppliers in India. We are also importing raw material from Hong Kong and China. Our purchase of raw material for the period ended on October 31, 2024, Fiscal 2024 and Fiscal 2023 is amounted to ₹ 4779.30 lakhs, ₹ 4992.33 lakhs and ₹ 1076.52 lakhs respectively.

Breakup of indigenous and imported raw material purchased is hereunder:

(₹ in lakhs)

Sr. No	Particulars	For the period ended on October 31, 2024	Fiscal 2023-24	Fiscal 2022-23
1.	Domestically Purchased Raw Material	4,613.35	4794.93	782.83
2.	Imported Raw Material	165.95	197.40	293.69
	<b>Total</b>	<b>4779.30</b>	<b>4992.33</b>	<b>1076.52</b>

As certified by the Statutory and Peer Reviewed Auditor of our Company M/s Patel & Panchal, Chartered Accountants vide their certificate with UDIN: 24114164BKAHRE2150 dated December 7, 2024.

Our major raw materials include Vinyl Sulphone, H Acid, J Acid, K Acid, Sodium bicarbonate, Sodium nitrite, Tobias Acid, Sulpho Tobias Acid, Cyanuric Chloride, MPDSA etc. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers from the open market. The prices of our key raw materials depend on crude oil prices which has been globally volatile and increases in the prices of these materials have an impact on our cost of production.

We have in-house **Analytical Laboratory** is equipped with required machinery to conduct comprehensive testing on raw materials and finished dyes, essential for the precision and reliability of our products.

**Inspection of Raw Material once it is received in our company premises is as under:**

**1. High-Performance Liquid Chromatography (HPLC):**

- HPLC is used to analyse and confirm the purity of raw materials and synthetic dyes, identifying any impurities that could affect product quality.

**2. Additional Analytical Instruments:**

- **Gas Chromatography (GC):** For separating and analyzing compounds, which is particularly useful in detecting impurities in complex mixtures.
- **Fourier-Transform Infrared Spectroscopy (FTIR):** For identifying organic compounds and verifying the structural integrity of dyes.
- **Atomic Absorption Spectroscopy (AAS):** Used to measure metal content, ensuring compliance with eco-friendly standards.
- **Moisture Analyzer:** To confirm that moisture levels are within safe limits, preventing degradation.
- **Ion Chromatography:** Utilized for detecting inorganic ions and salts in dyes, which could impact color fastness and stability.

**3. Testing Protocols:**

- Our protocols ensure each material meets ISO standards for chemical composition, concentration, and purity.
- Routine checks and analyses ensure that products consistently meet ZDHC and other international standards, adhering to the **highest safety and environmental benchmarks**.

**Logistics**

We transport our raw materials and our finished products by road and sea. Primarily, we rely on third party logistic companies for the delivery of our products on to pay or paid basis. We do not have formal contractual relationships with our logistic companies. The pricing for freight is based on a periodic rate contract from such third-party logistic companies and is negotiated per shipment basis. We outsource the delivery of our products to either third-party logistics companies or as mutually decided between the customer and our Company

We procure raw materials based on our requirement. The unloading of the raw materials in our Manufacturing Facilities are always under supervision of the storeroom personnel.

**PLANT, MACHINERY, TECHNOLOGY ETC.**

Our manufacturing activity includes mixing of various Plant & Machinery. The major plant & machinery installed at our factory are as under:





Machinery Name: C3 75KL  
Location In Plant: Main Plant  
Capacity: 75000LTR



Machinery Name: C4 75KL  
Location In Plant: Main Plant  
Capacity: 75000LTR



Machinery Name: Ice Flacker Machine MOTOR  
Location In Plant: Main Plant  
Capacity: 120HP

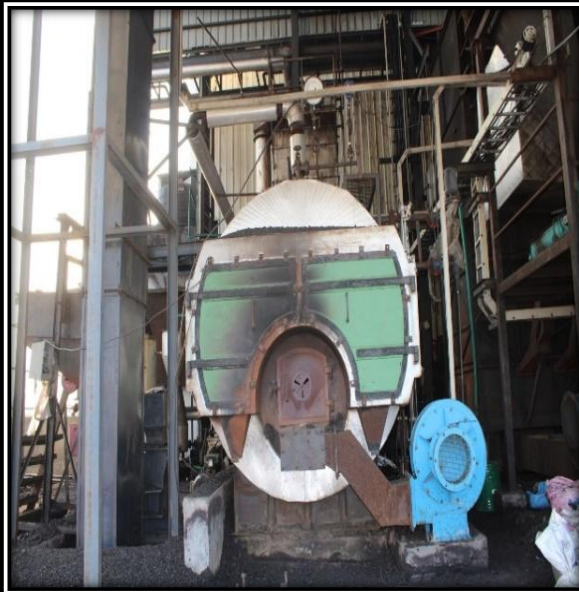
Machinery Name: C2 75KL  
Location In Plant: Main Plant  
Capacity: 75000LTR



Machinery Name: C1 75KL  
Location In Plant: Main Plant  
Capacity: 75000LTR



Machinery name: Cooling tower  
Location in plant: Main plant



Machinery name: Coal fire boiler  
Location in plant: Hot air generator  
Capacity: 2000KGS  
Use: Boiler to Provide Steam



Machinery Name: Spray Dryer  
Location In Plant: Spray Dryer Area  
Capacity: 2000 Ltr Water Evoprate / Hour  
Use: Spray Chamber



Machinery Name: Settling Tank  
Location In Plant: ETP  
Capacity: 50000LTR  
Use: In Etp for Effluent Storage After Treatment



Machinery Name: 12mt Blender  
Location In Plant: Blender Area  
Capacity: 12000KGS  
Use: Blending Material

Sr No	Description	Qty	Owned/Leased
1	Vessel Capacity 75,000 Lts	4	Owned
2	Vessel Capacity 30,000 Lts	2	Owned
3	Vessel Capacity 15,000 Lts	2	Owned
4	Vessel Capacity 3,000 Lts	2	Owned
5	Vessel Capacity 5,000 Lts	1	Owned
6	Ice Plant Storage Room - Cello Room - 60MT	1	Owned
7	Filter Press	3	Owned
8	Vessel - 50K Lts	2	Owned
9	Ice Flacker Machine Motor - 120 HP	1	Owned



10	Cooling Tower	1	Owned
11	RO Plant	2	Owned
12	Condenser + Ammonia NH3 Tank	1	Owned
13	Ice Flacker Plant - 4000KG/HR	1	Owned
14	Bucket Elevator	1	Owned
15	Coal Fire Chamber 60,00,000 Cal Value	1	Owned
16	Coal Fire Boiler - 2000 Kgs	1	Owned
17	Sludge Treatment Plant (STP)	1	Owned
18	Goods Lift Capacity 2500 Kgs	1	Owned
19	Effluent Tank Capacity 50,000 Lts	2	Owned
20	Settling Tank Capacity 50,000 Lts	1	Owned
21	Costic Laye Tank Capacity 20,000 Lts	1	Owned
22	Spray Dryer Capacity 2,000 Lts/hrs	1	Owned
23	Feed Tank Capacity 2,000 Lts	1	Owned
24	Blender Capacity 8,000 Kgs	1	Owned
25	Blender Capacity 3,000 Kgs	1	Owned
26	Blender Capacity 12,000 Kgs	1	Owned
27	Transformer Capacity 3,000 Kgs	1	Owned
28	Panels	8	Owned
29	DG Set 625KVM	1	Owned
30	Air Compressor	2	Owned
31	HPCL Machine - Quality Check	1	Owned
32	Water Demeneralized Machine	1	Owned
33	Colour Matching Machine	1	Owned
34	Untra Flurosence Analysis Cabinet	1	Owned
35	Lab Machines	7	Owned
36	Infrared Rota Machine	3	Owned
37	Lab Dryer	1	Owned

## LOCATION :

### Registered Office and Manufacturing Facility:

Our Registered office and Manufacturing facility situated at Plot No. C/54, GIDC, Saykha, Vagra, Dist. Bharuch – 392164.

### Power

We have power connection of 404 KWH from Daxin Gujarat Vij Company Limited (DGVCL) at our factory premises. In case of power failure from DGVCL, the D.G. (Diesel Generator) Set, Perkins Diesel Engine ranging from 400 KVA to 625 KVA, activated and the power supply system automatically switches to D.G. within a few seconds.

### Water

Water is required for the drinking, sanitation and manufacturing purpose at our factory premises. Water supply requirement in our factory premises is being fulfilled through water supplied by Gujarat Industrial Development Corporation (GIDC) water connection with per day 100 (KLPD) permission Limit. For drinking water, we have water purifier in the office premises.

### Waste Management Strategy

Our company operates with full compliance to environmental regulations and has obtained the necessary consents and authorizations from the Gujarat Pollution Control Board (GPCB) to ensure proper waste management practices.

**The Water (Prevention and Control of Pollution) Act, 1974:** We have received consent for the discharge of industrial effluent to the Common Effluent Treatment Plant (CETP) at Saykha. The permitted wastewater generation is 21.5 KLD, which is further categorized into 20 KLD of industrial waste and 1.5 KLD of

domestic waste. The industrial wastewater is treated in our in-house Effluent Treatment Plant (ETP) before being sent to CETP for further treatment and disposal. The domestic wastewater is processed through a Sewage Treatment Plant (STP), with the treated water being reused for gardening within the premises.

**The Air (Prevention and Control of Pollution) Act, 1981:** Our company is authorized to release emissions from the manufacturing process, with specific limits for flue gas emissions through stacks and process gas emissions from reactors and vessels. The permissible limits are 150 mg/Nm<sup>3</sup> for flue gas emissions and 100 ppm to 50 ppm for process gases, ensuring air quality is maintained in compliance with environmental standards.

**The Environment (Protection) Act, 1986:** We are authorized to manage and handle hazardous wastes, including ETP sludge, used oils, empty barrels/containers/liners contaminated with hazardous chemicals, and bleed liquor from scrubbers. This ensures that our hazardous waste is properly treated and disposed of in an environmentally safe manner.

**Hazardous Waste Disposal:** We hold a provisional membership for the disposal of solid and hazardous waste through the Common Solid/Hazardous Waste Disposal Facility developed by BEIL Infrastructure Limited (formerly Bharuch Enviro Infrastructure Limited) at GIDC, Dahej. We are authorized to dispose of up to 25 MT per year of solid waste, subject to valid authorization from the GPCB.

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

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

#### **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 date of this draft red herring prospectus, we have the total strength of 19 permanent employees in various departments. The details of which is given below are as on February 28, 2025:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Employees</b>
1)	Management and finance	4
2)	Production/Manufacturing and Maintenance	12
3)	Administrative and Marketing	2
4)	Laboratory and Quality Check	1
<b>Total</b>		<b>19</b>
5)	Skilled and Semi-skilled Labour on Job work basis (Average)	33*
<b>Total</b>		<b>52</b>

\*Every Month Contract Labour submit invoice for the total job work done by them.

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

#### **MARKETING AND DISTRIBUTION ARRANGEMENT:**

Our business operations and products primarily cater to the business-to-business segment. We maintain direct contact with majority of our customers which allows us to understand the technical needs and specifications of our customers. As a B2B manufacturer, our channels of marketing are such that we need to reach and target our clients of various industries to offer our diversified products.

Physical access to B2B decision makers is always difficult and restricted; hence the first step is to connect with them digitally. We have team of dedicated Marketing Staff, who visits the processing houses, understands their requirements and explain the composition of our products. On account of that, the products of the Company sale easily in the Market. The team is also verifying the reviews and understand the acceptance of our product in hand of our customers. Our Company has always focused on meeting the requirement of our clients and providing them maximum support in terms of timely delivery. Our success lies in the strength of our relationship with our customers and suppliers who have been associated with our promoters for a long period.



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

As part of our strategic business initiative to expand our global footprint and reach international customers, we actively participate in key industry exhibitions and trade shows. One of the significant events we are attending is the China Interdye Exhibition 2024, which is renowned as one of the largest and most influential trade fairs for the dyeing and chemical industries in the Asia-Pacific region.



*China Interdye Exhibition 2024*

#### COMPETITION:

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

#### CAPACITY AND CAPACITY UTILISATION:

Below are the details of the installed and the utilized capacity of our company:

Particulars	October 31, 2024	2023-24	2022-23
Installed Capacity (MTPA)*	9000	9000	9000
Actual capacity utilization (MTPA)**	2417.39	2462.22	188.75
Capacity Utilisation (in %) #	46.05 %**	27.36 %	2.10 %


\*The information related to the installed capacity is based on the certificate received from Bhavin R. Patel & Associates, Chartered Engineers, vide their certificate dated December 12, 2024.

\*\* The figure is Annualized.

# Our production has been started from the Fiscal 2022-23 hence, there is no Revenue in the fiscal 2021-22 i.e. First Financial year

#### INTELLECTUAL PROPERTY:

As on date of this Draft Red Herring Prospectus, our Company is not the registered owner of logo and the trademark that we are using and has made application for registration of our trademarks including our logo with the Registrar of Trademarks under the Trademarks Act, 1999 which is at formality check pass status

Date of Application	Trademark Holders	Trademark Application Number	Class	Trademark	Status
October 09, 2024	Shlokka Dyes Private Limited*	6661340	Class: 2		Formality Check Pass

\* Our company has been converted from Private Limited to Public limited  
For details, please refer chapter titled “Government and Other Statutory Approvals” on page no. 190 of this Draft Red Herring Prospectus.

### IMMOVABLE PROPERTY:

As on date of this Draft Red Herring Prospectus, our Company uses the following immovable properties:

#### Leased Property:

Sr. No.	Usage	Address	Date of Purchase/Lease/ Period of Lease	Owned / Leased / Rented	Area (Approx )
1	Registered Office and Manufacturing facility*	C-54, GIDC, Saykha, Bharuch, Gujarat-392140, India	99 Years Computed from March 28, 2014	Leased	5000 Sq. Meter

\* Our company has taken the said premises on lease basis from Gujarat industrial Development Corporation for a duration of 99 years Computed from date of allotment viz. March 28, 2014.

### INSURANCE

Our operations are subject to risks inherent in manufacturing facility, such as risk of equipment failure, work accidents, fire, earthquake, flood and other force majeure events that may cause injury or loss of life, severe damage to or destructions of properties, equipment and environmental damage.

We maintain insurance policies that are customary for companies operating in our industry. Our insurance policies include Workmen's Compensation Policy, Burglary Insurance Policy and SBI General Saral Bharat Laghu Udyam Suraksha. These insurance policies are reviewed periodically to ensure that the coverage is adequate. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurances.

Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. Set forth below are the major policies obtained by us:

Particulars	Details
Name of the Insurance Company	SBI General Insurance Company Limited
Name of Insured	Shlokka Dyes Limited
Policy No	0000000039651523
Type of Policy	SBI General's Employees Compensation Insurance Policy
Validity Period	From 06/06/2024 (16:5 Hrs) to Midnight of 05/06/2025
Nature of Coverage	The Workmen's Compensation policy enables the employer to pay the compensation to the Employee of the Insured shall sustain Injury by accident arising out of and in the course of his employment in the Business, for which the Insured is liable to pay compensation under any Law(s): Employees Compensation Act, 1923

	Common Law Fatal Accidents Act 1855
<b>Premium Paid (Rs)</b>	₹ 13,707.00/-
<b>No. of employee Insured</b>	42 Employee
<b>Insured Address</b>	C-54, GIDC, Sayakha, Bharuch, Gujarat-392140, India.

<b>Particulars</b>	<b>Details</b>
<b>Name of the Insurance Company</b>	SBI General Insurance Company Limited
<b>Name of Insured</b>	Shlokka Dyes Limited
<b>Policy No</b>	0000000038605572-01
<b>Type of Policy</b>	Burglary
<b>Validity Period</b>	From: 29/03/2025 (17:00 Hrs) To: 28/03/2026 Midnight
<b>Nature of Coverage</b>	Stock
<b>Premium Paid (Rs)</b>	₹ 3,186 /-
<b>Sum Insured</b>	₹ 15,00,00,000/-
<b>Insured Address</b>	C-54, GIDC, Sayakha, Bharuch, Gujarat-392140, India.

<b>Particulars</b>	<b>Details</b>
<b>Name of the Insurance Company</b>	SBI General Insurance Company Limited
<b>Name of Insured</b>	Shlokka Dyes Limited
<b>Policy No</b>	0000000038621832-01
<b>Type of Policy</b>	SBI General Saral Bharat Laghu Udyam Suraksha
<b>Validity Period</b>	From: 29/03/2025 (00:00 Hrs) To: 28/03/2026 Midnight
<b>Nature of Coverage</b>	Building including plinth, basement and additional structures, Plant & Machinery (Sookshma/Laghu), Stocks, Finished Stocks, Other Contents.
<b>Premium Paid (Rs)</b>	₹ 8,30,081.00/-
<b>Sum Insured</b>	₹ 43,21,00,000/-
<b>Insured Address</b>	C-54, GIDC, Sayakha, Bharuch, Gujarat-392140, India.

## **KEY INDUSTRY REGULATIONS AND POLICIES**

Except as otherwise specified in this Draft Red Herring Prospectus, the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the Income Tax Act, Goods and Service Tax Act, 2017 and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company.

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page no. 190 of this Draft Red Herring Prospectus.

The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designated nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Central and the State laws, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

### **GENERAL LEGISLATIONS**

#### **The Companies Act, 2013/1956**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 (and the amendments thereof) is applicable to the extent notified. 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 Contract Act, 1872**

The Indian Contract Act, 1872 (Contract Act) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as void ‘or voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

#### **Sale of Goods Act, 1930**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

#### **Consumer Protection Act, 2019 (“CPA”)**

Consumer Protection Act, 2019 (“COPRA, 2019”) has replaced the earlier Consumer Protection Act, 1986, in seeking to provide better protection to the interests of consumers, especially in the digital age. The key features of the COPRA, 2019 include wider definition of “consumer”, enhancement of pecuniary jurisdiction, flexibility in e-filing complaints, imposition of product liability, wider definition of unfair trade practices, and provision for alternative dispute resolution. Furthermore, it provides for the establishment of a regulatory

authority known as the Central Consumer Protection Authority (CCPA), with wide powers of enforcement. The CCPA will have an investigation wing, headed by a Director-General, which may conduct inquiry or investigation into consumer law violations. Further, the CCPA has been granted wide powers to take suo moto actions, recall products, order reimbursement of the price of goods/services, cancel licenses and file class action suits, if a consumer complaint affects more than one individual.

### **Transfer of Property Act, 1882 (“TP Act”)**

The Transfer of Property Act, 1882 (the TP Act) establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for that purpose.

### **The Registration Act, 1908**

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

### **Limitation Act, 1963**

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, period of limitation means the period of limitation prescribed for any suit, appeal or application by the Schedule, and prescribed period means the period of limitation computed in accordance with the provisions of this Act.

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

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

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

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

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

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

## • TAX RELATED LEGISLATIONS

### **Income Tax Act, 1961 ("IT Act")**

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or rules made thereunder depending upon its "Residential Status" and "Type of Income" involved. The IT Act provides for the taxation of persons resident in India on global income and persons 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 the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such company is also required to file its returns by September 30 of each assessment year.

### **Goods and Service Tax Act, 2017 (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%, 18% and 28%. Besides, some goods and services would be under the list of exempt items.

### **The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 and rules thereunder**

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.

### **The Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an Importer Exporter Code.

## **ENVIRONMENT RELATED LAWS**

### **Environment (Protection) Act, 1986 (“Environment Act”) and the Environment (Protection) Rules, 1986 (“Environment Rules”)**

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe the standards of quality of air, water or soil for various areas:

- the maximum allowable limits of concentration of various environmental pollutants for different areas;
- the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents; and
- the procedures and safeguards for extracting and utilizing ground water.

Further, pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board an environmental statement for that financial year in the prescribed form.

### **National Environment Policy, 2006**

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

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

### **Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act aims to prevent and control water pollution and to maintain or restore water purity. Under the provisions of the Water Act, any individual, industry or institution discharging industrial or domestic waste water or establishing any treatment or disposal system or the using of any new or altered outlet for the discharge of sewage is required to obtain the consent of the applicable state pollution control board, which is empowered to establish standards and conditions that are required to be complied with. The consent to operate is granted for a specific period after which the conditions stipulated at the time of granting consent are reviewed by the state pollution control board. Even before the expiry of the consent period, the state pollution control board is authorized to carry out random checks on any industry to verify if the standards prescribed are being complied with by the industry. In the event of non-compliance, the state pollution control board after serving notice to the concerned industry may, among other measures, close the premises, withdraw water supply to the premises or cause magistrates to pass injunctions to restrain such polluters.

### **Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. The pollution control board is required to grant, or refuse, the consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

#### **The Environmental Impact Assessment Notification, 2006 (the “EIA Notification”)**

As per the EIA Notification, any construction of new projects or activities or the expansion or modernisation of existing projects or activities as listed in the schedule to the EIA Notification and meeting the thresholds specified therein can be undertaken only after the prior environmental clearance from the Central government or as the case may be, by the State Level Environment Impact Assessment Authority. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. In 2016, the Ministry of Environment, Forest and Climate Change (“**MoEF**”) issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects.

#### **Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to obtain an approval from the relevant state pollution control board and to dispose of such waste without harming the environment.

#### **Noise Pollution (Regulation and Control) Rules, 2000 (the “Noise Pollution Rules”)**

The Noise Pollution Rules regulate noise levels in industrial (75 decibels), commercial (65 decibels) and residential zones (55 decibels). The Noise Pollution Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. These Rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Pollution Rules shall be under the provisions of the Environment (Protection) Act, 1986.

#### **The Forest (Conservation) Act, 1980 (“the FCA”)**

The FCA read with Forest (Conservation) Rules, 2003 aim to preserve forest land and provide for restriction on the deforestation of forests or use of forest land for non-forest purpose and requires prior approval for use of forest land for any non-forest purpose.

#### **The Public Liability Insurance Act, 1991**

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

### **INTELLECTUAL PROPERTY LAWS**

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

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

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



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

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

### **The Trademarks Act, 1999**

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

### **The Design Act, 2000 (the “Design Act”)**

The Design Act protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or a combination of pattern and colour in a three-dimensional form containing aesthetic value. The Design Act provides an exclusive right to apply a design to any article in any class in which the design is registered.

## **BUSINESS / TRADE RELATED LAWS / REGULATIONS**

### **Plastic Waste Management (PWM) Rules, 2016**

The government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2016 (through a Gazette notification dated 18 March, 2016). This supersedes the Plastic Waste (Management and Handling) Rules, 2011 that governed such activities earlier. This provides the framework for how plastic waste generators, local bodies, manufacturers, importers etc., to manage plastic waste.

### **The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 (“Chemical Accidents Rules”)**

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents, by inter alia, setting up a central crisis group and a crisis alert system. The functions of the central crisis group inter alia include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans. The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (“HCR Rules”) The HCR Rules are formulated under the EPA. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority.

### **The Factories Act, 1948**

The Factories Act, 1948 ("Factories Act") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

### **Legal Metrology Act, 2009 (the “LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (the “LM Rules”)**

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The LM Act provides for inter alia standard weights and measures and requirements for verification and stamping of weight and measure. LM Rules inter alia provide that certain commodities shall be packed for sale, distribution and delivery in standard quantities as laid down under the LM Rules. LM Rules also provide for declarations that must be made on packages, where those declarations should appear on the package and the manner in which the declaration is to be made.

#### **The Bureau of Indian Standards Act, 2016 (“BIS Act”)**

The BIS Act, establishes, publishes and regulates national standards to ensure conformity assessment, standardization, and quality assurance of goods, articles, processes, systems and services. The BIS Act empowers the Bureau of Indian Standards to inspect and monitor the quality of goods and materials to ensure conformity with the BIS Act. In furtherance of such powers, the officials may inspect the premises for evaluating a manufacturer’s compliance with use of standard marks. The BIS Act also enables the central government to appoint any authority to verify the conformity of products and services to a standard and issue certificate of conformity. Further, the BIS Act sets out inter alia, liability for use of standard mark on products that do not conform to the relevant Indian Standard. Under the BIS Act, such products may be recalled from the market.

In addition to the above, the BIS Standards Related with Manufacturer of HDPE Pipes are also applicable to our Company.

#### **The Industrial Relations Code, 2020 (“Industrial Code”)**

The Ministry of Law and Justice, with an intent to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute, has introduced the Industrial Code. The Code provides that the Central Government may repeal the provisions of the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 and may supersede them with the applicability of any provision of the Industrial Code. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply, and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

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

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

### **EMPLOYMENT AND LABOUR LAWS**

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

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

#### **Employees Deposit Linked Insurance Scheme, 1976**

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

#### **The Employees' Pension Scheme, 1995**

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

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

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

#### **Payment of Bonus Act, 1965**

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

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

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on cessation of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five years period shall be relaxed in case of termination of service due to death or disablement.

### **Minimum Wages Act, 1948**

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

### **Maternity Benefit Act, 1961**

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

### **Equal Remuneration Act, 1979**

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

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

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited.

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

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

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

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

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

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

## **OTHER LAWS:**

### **Shops and Commercial Establishments legislations in various states**

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

### **FEMA Regulations**

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

### **Importer-exporter code**

In India, exports and imports are regulated by the Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), which seeks to develop and regulate foreign trade by facilitating imports into India and augmenting exports from India. Pursuant to the provisions of the FTDRA, every importer and exporter in India must obtain an IEC from the Director General of Foreign Trade ("DGFT") or from any other officer duly authorized under the FTDRA. Failure to obtain the IEC number may lead to penal action under the FTDRA. Further, the DGFT is authorized to suspend or cancel IEC in case of (i) contravention by any person of the provisions of FTDRA or the foreign trade policy or any law relating to central excise or customs or foreign exchange or commission of any other economic offence under any other law specified by the Central Government or (ii) making an export or import in a manner prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or bringing disrepute to the credit of the goods of, or services or technology, provided from the country or (iii) importing or exporting specified goods or services or technology, in contravention of any provision of FTDRA or any rules or orders made thereunder or the foreign trade policy. Where any IEC number granted to a person has been suspended or cancelled, the person shall not be entitled to import or export any goods or services or technology except under a special license, granted by the DGFT to that person in a manner and subject to conditions as may be prescribed.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated on July 09, 2021, as a Private Limited Company as “Shlokka Dyes Private Limited” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Ahmedabad. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on October 08, 2024 our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Shlokka Dyes Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 11, 2024 by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24299GJ2021PLC124004.

### 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 no. 92, 85, and 171 of this Draft Red Herring Prospectus, respectively. For details of the management and managerial competence of our Company, please refer chapter titled “Our Management” on page no. 125 of this Draft Red Herring Prospectus.

### Changes in Registered Office

Except as disclosed below, there has been no change in the registered office of our Company since the date of incorporation.

Date of change	Details of change in the registered office	Reason for Change
November 14, 2024	Change outside the local limits of City from Shed No. C/42/1, GIDC Estate, Nr. Fire Station, Opp. Ambicanagar, Odhav, Ahmedabad, Gujarat, India, 382415 To Plot No. C/54, GIDC, Saykha, Vagra, Bharuch – 392164.	For Operational & 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:

To carry on business as manufacturers, formulators, processors, producers, makers, buyers, sellers, re-sellers, importers, exporters, distributors, suppliers, fermentators, distillers, refiners, stockists, agents, merchants, developers, consultants and dealers, in all types, forms (solid, liquid and gaseous) and of all kinds of chemicals and chemical compounds (organic and inorganic) heavy chemicals used as colouring agents in various industries.

### Amendments to the Memorandum of Association

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

- Change in Name Clause

Sr. No.	Date of Passing of Resolution	AGM/ EGM	Particulars
1.	October 08, 2024	EGM	The name of our company has changed from “Shlokka Dyes Private Limited” to “Shlokka Dyes Limited” pursuant to conversion of company from Private Limited to Public Limited.

- Change in Capital

Sr. No.	Date of Change	AGM/ EGM	Changes in authorized Capital
1.	On Incorporation	-	The authorized capital of our company on incorporation comprised

	(July 09, 2021)		of ₹ 1,00,000/- consisting of 10,000 Equity shares of Rs. 10/- each.
2.	April 04, 2022	EGM	The authorized share capital of ₹1,00,000/- consisting of 10,000 Equity shares of Rs. 10 each was increased to ₹1,00,00,000/- consisting of 10,00,000 Equity shares of ₹10/- each.
3.	September 20, 2024	EGM	The authorized share capital of ₹1,00,00,000/- consisting of 10,00,000 Equity shares of Rs. 10 each was increased to ₹22,00,00,000/- consisting of 2,20,00,000 Equity shares of ₹10/- each.

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

There are no major events, key awards, accreditations or recognition except as mentioned below.

Year	Key Events/Key Awards/Milestone/Achievement
2021	Our Company was incorporation as private limited company under the name “Shlokka Dyes Private Limited”
2022	Our Company has set up manufacturing facility situated at C/54, GIDC, Saykha, Dist. Bharuch – 392140 which is admeasuring land spread Approx. of 5000 sq. mtr. Together with construction of factory shed/building of about 5731.81 sq. metre. With an installed capacity of 9000 MT per annum
2023	Obtain Factory License in the name of Company
2023	Received ISO 9001:2015 Certification for Quality Management System for manufacturing of Dyes and Intermediates
2023	Received ISO 14001:2015 Certification for Occupational Health & Safety Management System for manufacturing of Dyes and Intermediates
2023	Received ISO 45001:2018 Certification for Environment Management System for manufacturing of Dyes and Intermediates
2024	Achieved Turnover of more than ₹ 60 Crores
2024	Our company has participated in the 24 <sup>th</sup> China International Dye Industry, Pigments and Textile Chemicals, (China Interdye 2024) Exhibition dated 17th -19th April, 2024, in Shanghai, China
2024	Our Company was converted into Public Limited Company under the name of “Shlokka Dyes Limited”
2024	Applied for registration of trademark Act, 1999 for use of goods and services – SHLOKKA

## Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten years.

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. since its incorporation.

## Strategic Partners

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

## Financial Partners

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

## Time and Cost Overruns

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

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

For details pertaining to our products or services, capacity and capacity utilisation, entry in new geographies or exit from existing markets, please refer chapter titled “Business Overview” on page no. 92 of this Draft Red Herring Prospectus.

**Lock Outs and Strikes**

There have been no lock-outs or strikes in our Company since inception.

**Injunctions or Restraining Orders**

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

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

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

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

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

**Joint Ventures**

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

**Shareholders' Agreements**

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

**Other Agreements**

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



## OUR MANAGEMENT

Our Company currently has 5 (Five) Director, out of which two (2) are Executive Directors, One (1) is Non-Executive Director, two (2) are Non- Executive Independent Director.

### BOARD OF DIRECTORS

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

Name, Father's Name, Address, Date of Birth, Age, Designation, Status, DIN, Occupation and Nationality	Other Directorships
<b>Name:</b> Mr. Vaibhav Shah <b>Father's Name:</b> Pravinchandra shah <b>Address:</b> B. No. 43, Galavilla Lotus, Gokuldharm, Shantipura Circle, Sarkhej, Ahmedabad, Gujarat, India-382210 <b>Date of Birth:</b> June 23, 1979 <b>Age:</b> 45 Years <b>Designation:</b> Managing Director <b>Status:</b> Executive Director <b>DIN:</b> 06826565 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Five (5) years w.e.f. November 14, 2024 to November 13, 2029 Appointed as Managing Director w.e.f. November 14, 2024 <b>Original Date of Appointment:</b> Since incorporation i.e. July 09, 2021 as a Director	Indian- 1. Equinox Dyes Private Limited  Foreign-Nil
<b>Name:</b> Ms. Shivani Rajpurohit <b>Father's Name:</b> Shivilal Purohit <b>Address:</b> B. No. 43, Galavilla Lotus, Gokuldharm, Shantipura Circle, Sarkhej, Ahmedabad, Gujarat, India-382210 <b>Date of Birth:</b> October 29, 1982 <b>Age :</b> 42 Years <b>Designation:</b> Director <b>Status:</b> Executive <b>DIN:</b> 08820006 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Appointed as Executive Director w.e.f. July 09, 2021, Liable to retire by rotation <b>Original Date of Appointment:</b> Since incorporation i.e. July 09, 2021 as a Director	Indian- 1. Equinox Dyes Private Limited  Foreign-Nil
<b>Name:</b> Mr. Shivilal Purohit <b>Father's Name:</b> Kikaram Purohit <b>Address:</b> 31, Gala Lotus Villa, Gokuldharm, Sanand, Sanathal, Ahmedabad, Gujarat, India-382210 <b>Date of Birth:</b> September 11, 1964 <b>Age:</b> 60 Years <b>Designation:</b> Director <b>Status:</b> Non- Executive Director <b>DIN:</b> 07058683 <b>Occupation:</b> Business <b>Nationality:</b> India <b>Term:</b> Appointed as Non-Executive Director w.e.f. October 05, 2024, Liable to be retire by rotation <b>Original Date of Appointment:</b> October 05, 2024 as Director	Nil
<b>Name:</b> Mr. Konark Patel <b>Father's Name:</b> Piyushbhai Patel <b>Address:</b> 7, Manmohan park, Nr. Bhagyalaxmi society, Visnagar Road, Nr S.M.V.S. Temple, Unjha, Mahesana, Gujarat, India-384170 <b>Date of Birth:</b> November 16, 1989 <b>Age:</b> 35 Years	Nil

<b>Designation:</b> Independent Director <b>Status:</b> Non- Executive Director <b>DIN:</b> 10832659 <b>Occupation:</b> Professional <b>Nationality:</b> India <b>Term:</b> Five (5) years w.e.f. November 14, 2024 to November 13, 2029 <b>Original Date of Appointment:</b> November 14, 2024 as an Independent Director	
<b>Name:</b> Mr. Meet Joshi <b>Father's Name:</b> Jayantilal Joshi <b>Address:</b> H-1804, Elysium, Near vaishnodevi Circle, Adani Shantigram, Khodiyar, Ahmedabad, Gujarat, 382421-India <b>Date of Birth:</b> January 08, 1988 <b>Age:</b> 36 Years <b>Designation:</b> Independent Director <b>Status:</b> Non- Executive Director <b>DIN:</b> 10832784 <b>Occupation:</b> Professional <b>Nationality:</b> India <b>Term:</b> Five (5) years w.e.f. November 14, 2024 to November 13, 2029 <b>Original Date of Appointment:</b> November 14, 2024 as an Independent Director	Nil

### Confirmations

#### As on date of this Draft Red Herring Prospectus

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

### Family Relationship between the Directors

None of the Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013 except Mr. Shivilal Purohit, Director and Ms. Shivani Rajpurohit, Director. Mr. Shivilal Purohit is father of Ms. Shivani Rajpurohit.

### 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 Red Herring 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 14, 2024 in accordance with Section 180(1)(c) of the Act authorized the Board to borrow monies from time to

time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed ₹200.00 Crores.

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

**Mr. Vaibhav Shah**, aged 45 years is the promoter and pioneer of our Company. He holds position of Managing director of our Company. He completed his Higher secondary Education from Gujarat Secondary Education Board, Gandhinagar, in 1997. Mr. Shah has been integral to the company since its inception, bringing over 25 years of work experience, in the dyes and intermediaries' industry. Mr. Vaibhav Shah has joined his family business in the name of Vaibhav Dyestuff Industries, a Partnership Firm, which was also into Dyes and Intermediaries business. He gained immense experience in areas of Production and Marketing between 1998 to 2010. In 2011, he started his own entrepreneurial venture namely "Equinox Impex", is a 2-star registered export house with access to clients from 21 countries including India. With his strategic acumen, industry knowledge, the skill and efficiency in operations and marketing, he ensures Streamlining production processes that lead to increased output efficiency and reduced costs and implements marketing strategies that expands market share and strengthened brand recognition in the industry. He has been actively involved in the day-to-day operations of the company and is currently overseeing and controlling overall commercial operations of the Company including but not limited to formulating business strategies for business development, finance related decisions etc.

**Ms. Shivani Rajpurohit**, aged 42 Years, is an Executive Director on the board of our company. She was appointed as an executive Director since Inception i.e. July 09, 2021. She has received the degree of Doctorate of Philosophy (Law) on September 21, 2015 from Hemchandracharya North Gujarat University, Patan. She completed Master of laws and Bachelor of Laws in the year 2008 & 2006 respectively from L.A. Shah Law College, Ahmedabad, Gujarat. She was enrolled as an advocate on the state roll by the Bar council of Gujarat in June, 2006 and established her own practice as a practicing lawyer. Besides having 17 years of experience in legal Practice in the High Court of Gujarat state, She has been actively involved in the dyes and intermediaries industry for over 4 years, overseeing administrative and legal operations. she combines her legal acumen with industry-specific knowledge in the dyes and intermediaries sector making her an invaluable asset to the company's growth and sustainability. Currently, she ensures compliance with industry-specific legal and regulatory standards, providing strategic guidance to navigate the market and guide our company through complex regulatory landscapes.

**Mr. Shivilal Purohit**, aged 60 years, is a Non – Executive Director on the board of the company. He is non-matriculated. He has been associated with the Company since October 05, 2024. He is associated with propriety firm namely M/s Star Pavers, involved in manufacturing paver bricks which are used footpath, pooldeck and walkways since 2007. He helps our board to develop strategies for growth, long-term goals, and risk Management. Currently, he looks after the HR related matters in the Company specially arranging contract labour force for our operations.

**Mr. Konark Patel** aged 35 years, is a Non- Executive Independent Director on board of the company. He holds a degree of Company secretary and an associate member of The Institute of Companies Secretaries of India since May, 2016. He has completed his Bachelor of Commerce from Sardar Patel University, Gujarat in the year 2010. He has established his own practicing Company Secretaries firm since April 25, 2019. He has work experience of more than 8 years out of which he served as a Whole-time company secretary at Anjani Synthetics Limited from October 12, 2018 to April 10, 2019 and as a Company Secretary at Royal Castor Products Limited from October 01, 2016 to August 25, 2018. He has expertise in various crucial aspects of corporate governance and regulatory compliance. He has been appointed on the board on November 14, 2024. His major role in the company is as an advisor to the Board and assist in bringing an independent judgment to bear on the Boards deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.

**Mr. Meet Joshi**, aged 37 years, is a Non- Executive Independent director on the board of the company. He holds degree of Bachelor of Laws in the Year 2012. He is holds a degree of Company secretary and a Fellow Member of The Institute of Companies Secretaries of India since September, 2011. He has completed the degree of Bachelor of Commerce in the year April 2008. He is having more than 1s years of Professional experience in the field of corporate governance, Legal and statutory compliance related to corporate laws. Prior to his role as an Independent Director in our company, he has served as a Company Secretary at Akshar Chem (India) Limited from February 23, 2015 to November 17, 2023, and at Xcelris Labs Limited from October 01, 2013 to February 21, 2015 and at Merit Credit Corporation Limited from February 01, 2011 to

September 15, 2013. During his tenure as a Company Secretary, he has gained deep understanding of corporate governance, legal compliance, and regulatory affairs. He is whole-time Company Secretary at Vishakha Metals Private Limited Since November 18, 2023. His major role in the company is as an advisor to the Board and assist in bringing an independent judgment to bear on the Boards deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.

### Compensation of Managing Directors

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

Mr. Vaibhav Shah has been appointed as Managing Director of our Company in the Extra-ordinary General Meeting of the company held on November 14, 2024 for a period of Five years commencing w.e.f. November 14, 2024 to November 13, 2029.

#### The remuneration payable is as follows:

<b>Name</b>	Mr. Vaibhav Shah
<b>Date of Resolution*</b>	November 14, 2024
<b>Period</b>	w.e.f. November 14, 2024 to November 13, 2029
<b>Salary</b>	Upto Rs. 1,20,00,000/- per annum
<b>Remuneration paid in FY 2023-24</b>	Nil

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

#### Shareholding of Directors in our Company

The details of the shareholding of our directors as on the date of this Draft Red herring Prospectus are as follows:

<b>Sr. No.</b>	<b>Name of the Directors</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre-Issue Capital (%)</b>
1.	Mr. Vaibhav Shah	90,34,700	60.00
2.	Ms. Shivani Rajpurohit	60,22,948	40.00
3.	Mr. Shivilal Purohit	100	Negligible
<b>Total</b>		<b>150,57,748</b>	<b>100.00</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 promoter 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 no. 128 of this Draft Red herring 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 no. 92 of this Draft Red herring Prospectus and in the chapter “*Restated Financial Statement*” on page no. 139 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 no. 139 of Draft Red Herring Prospectus, 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 no. 139 of this Draft Red herring 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 Red herring 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

<b>Name of Directors</b>	<b>Date of Appointment</b>	<b>Date of Change in Designation / Cessation</b>	<b>Reasons for changes in the Board</b>
Mr. Shival Purohit	October 05, 2024	-	Appointed as Non-executive Director
Mr. Vaibhav Shah	-	November 14, 2024	Appointed as Managing Director
Mr. Konark patel	November 14, 2024	-	Appointed as Non-executive Independent Director
Mr. Meet Joshi	November 14, 2024	-	Appointed as Non-executive Independent Director

#### **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 November 25, 2024 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.

<b>Name of the Director</b>	<b>Nature of Directorship</b>	<b>Position in Committee</b>
Mr. Konark Patel	Non-Executive Independent Director	Chairperson
Mr. Meet Joshi	Non-Executive Independent Director	Member
Mr. Vaibhav Shah	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. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

### Review of information by Audit Committee

The audit committee shall mandatorily review the following information:

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

### 2. 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 November 25, 2024. The constituted Stakeholders Relationship Committee comprises the following members:

Name of the Director	Nature of Directorship	Position in Committee
Mr. Shivilal Purohit	Non-Executive Director	Chairperson
Mr. Meet Joshi	Non-Executive Independent Director	Member
Mr. Konark Patel	Non-Executive Independent Director	Member

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

#### Terms of reference:

The scope of Stakeholders Relationship Committee shall include, but shall not be restricted to, the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### 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 November 25, 2024. The Nomination and Remuneration Committee comprises the following members:

Name of the Director	Nature of Directorship	Position in Committee
Mr. Konark patel	Non-Executive Independent Director	Chairperson
Mr. Meet Joshi	Non-Executive Independent Director	Member
Mr. Shivilal Purohit	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:

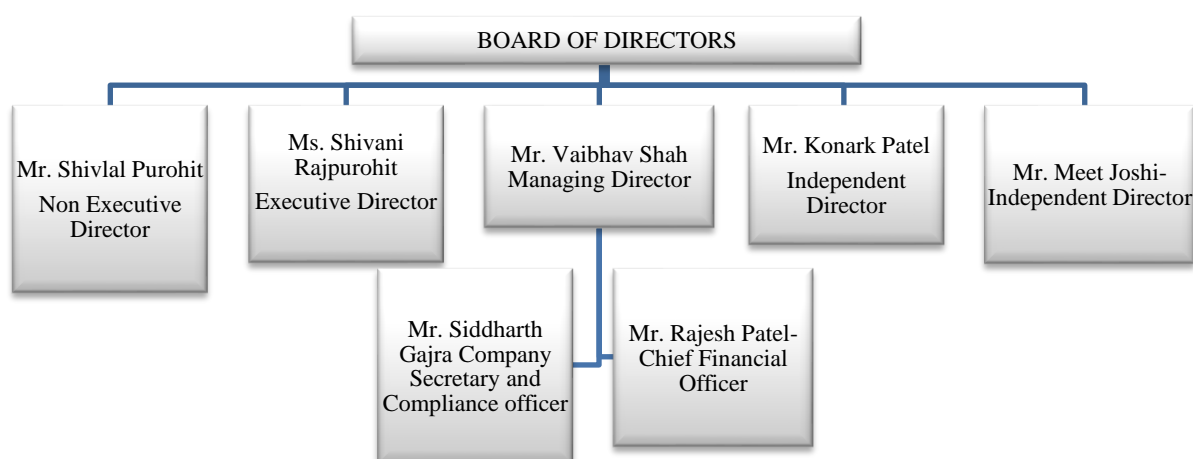
**The terms of reference:**

The scope of Nomination and Remuneration Committee shall include, but shall not be restricted to, the following:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - o use the services of an external agencies, if required;
  - o consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - o consider the time commitments of the candidates.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

**Management Organization Structure**

The following chart depicts our Management Organization Structure



**Key Managerial Personnel and Senior Management Personnel**

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

**Key Managerial Personnel**

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



Name, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience	Remuneration paid in previous year (2023-24) (₹ in Lakhs)
Mr. Siddharth Gajra, Company Secretary and Compliance Officer D.O.J- December 07, 2024	Company Secretary, B. Com	The Jaipur udhyog Limited	8 yrs.	-
Mr. Rajesh Patel, Chief Financial Officer D.O.J-November 11, 2024	B. Com	Equinox Impex	20 Yrs.	-

For the profile of Mr. Vaibhav Shah, Managing Director of our company; Please refer chapter titled “*Our Management - Brief profiles of our directors*” on page no. 127 of this Draft Red herring Prospectus.

**Mr. Siddharth Gajra**, our Company Secretary, completed his Bachelor of Commerce from University of Mumbai in the year 2013. He is an Associate Member of the Institute of Company Secretaries of India (ICSI) since January 05, 2017. With over 8 years of professional experience, Mr. Gajra has worked with Angel Broking Limited as a deputy Manager from May 2016 to May, 2017. He was Company secretary at The Jaipur udhyog Limited from August 01, 2019 to December 06, 2024. He held certificate of practice issued by the ICSI for the period of September 28, 2018 to January 23, 2019 gaining substantial expertise in Company Law compliances and other MCA-related matters. He is associated with our company since December 07, 2024 as a permanent employee of our Company.

**Mr. Rajesh Patel**, is the Chief Financial Officer of our company. He completed degree of Bachelor of Commerce from Gujarat University in year 2004. He has 20 years of Experience in the dyes and intermediary industry with our group firms. Prior to his appointment in the Company, he had been working with Equinox Impex since January 2011- October, 2024 and Vaibhav Dyestuff industries from July 2004 to December 2010. He joined our Company to look after the financial transaction of our Company as a CFO on November 11, 2024 as a permanent employee of our Company.

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

None of 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 Red herring Prospectus

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

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

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

Our Key Managerial Personnel & Senior Management Personnel Mr. Vijay Shah, managing director and Mr. Rajesh Patel, CFO, holds Equity Shares in our Company as on the date of filing of this Draft Red herring Prospectus as below:

Sr. No.	Name of the Directors	No. of Equity Shares	Percentage of Pre-Issue Capital (%)
1.	Mr. Vaibhav Shah	90,34,700	60.00
2.	Mr. Rajesh Patel	100	Negligible
<b>Total</b>		<b>90,34,800</b>	<b>60.00</b>

For further details, please refer to section titled “*Capital Structure*” beginning on page no. 56 of this Draft Red herring Prospectus

#### **Changes in Our Company’s Key Managerial Personnel and Senior Management Personnel during the last three (3) years**

Name of KMP	Designation	Date of Event	Reason
Mr. Rajesh Patel	Chief Financial Officer	November 11, 2024	Appointed as Chief Financial Officer
Mrs. Ankita Jain	Company Secretary and Compliance Officer	December 02, 2024	Appointed as Company Secretary and Compliance Officer
Mrs. Ankita Jain	Company Secretary and Compliance Officer	December 06, 2024	Ceased to be Company Secretary and Compliance Officer
Mr. Siddharth Gajra	Company Secretary and Compliance Officer	December 07, 2024	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 no. 129 of this Draft Red herring Prospectus.*

#### **Interest of Key Managerial Personnel and Senior Management Personnel**

Except as disclosed in this Draft Red herring Prospectus, the Key Managerial Personnel and Senior Management 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 Red herring Prospectus.



#### **Payment of Benefits to of Our Key Managerial Personnel and Senior Management Personnel (*non-salary related*)**

Except as disclosed in this Draft Red herring Prospectus other than any statutory payments made by our Company to its KMPs and Senior Management Personnel, 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 no. 139 of this Draft Red herring Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

	<p><b>Vaibhav Shah</b> aged 45 years, is the Managing Director of our company. <b>Date of Birth:</b> June 23, 1979 <b>Personal Address:</b> B. No. 43, Galavilla Lotus, Gokuldham, Shantipura Circle, Sarkhej, Ahmedabad, Gujarat, India-382210 <b>Permanent Account Number:</b> AKTPS8365D 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. 125 of this Draft Red-herring Prospectus.</p>
	<p><b>Shivani Rajpurohit</b> aged 42 years, is the Executive Director of our company. <b>Date of Birth:</b> October 29, 1982 <b>Personal Address:</b> B. No. 43, Galavilla Lotus, Gokuldham, Shantipura Circle, Sarkhej, Ahmedabad, Gujarat, India-382210 <b>Permanent Account Number:</b> AKIPR1885Q 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. 125 of this Draft Red-herring Prospectus.</p>

*For details of the build-up of our Promoters’ shareholding in our Company, please see “Capital Structure – Shareholding of our Promoters” beginning on page no 62 of this Draft Red-herring Prospectus.*

### Confirmations

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

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

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

### Other ventures of Promoters

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

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

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

### Relationship of Promoters with our directors

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

Ms. Shivani Rajpurohit, Executive Director of our Company is daughter of Mr. Shivilal Purohit, Non-Executive Director of our Company.

### Interest of Promoters

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings, Directorship in our Company and the shareholding of their relatives in our Company and the dividend declared and due, if any, Interest on unsecured Loan, 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 no. 56 and 125, respectively of this Draft Red-herring Prospectus. For further details, please refer chapters titled “*Capital Structure - Shareholding of our Promoter and Promoter Group*” beginning on page 60 and “*Restated Financial Statements*” on page no. 139, respectively of this Draft Red-herring Prospectus.

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

#### **Common Pursue**

The Proprietorship firm of our promoter and Managing Director, namely “Equinox Impex”, is engaged in the line of business similar to our Company. There are no non- compete agreements between our Company and such Promoter Group Entity. Our Promoter Group / Group Company is in the business of manufacturing and trading of Dyes which can be considered as similar line of business as of our Company. We have not entered into any non-compete agreement with the said entity. As a result, conflicts of interests can arise on account of common suppliers / customers and in allocating business opportunities amongst our Company and our Promoter Group entity in circumstances where our respective interests diverge.

#### ***Interest in the properties of our Company***

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

#### ***Interest as members of our Company***

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled “*Capital Structure*” beginning on page no. 56 of this Draft Red-herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or firm or company in which our Promoters are interested as referred in chapter “Our Promoters and Promoter Group” in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

#### **Other Interest**

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

Our manufacturing facility situated at C/54, GIDC, Saykha, Dist. Bharuch – 392140 which is admeasuring land spread across 5000 sq. meter, the industrial plot of the said premises was earlier taken on lease basis from Gujarat industrial Development Corporation and allotted to M/s Equinox Impex (A proprietary Concern of Mr. Vaibhav Shah, Our Promoter and Managing Director). The said lease of industrial plot was subsequently transferred in the favour of Our company i.e. Shlokka Dyes Limited for which our company has paid consideration of Rs. 135.65 Lakh to M/s Equinox Impex and our company has executed the lease agreement with Gujarat industrial Development Corporation and taken the said premises on lease basis for a duration of 99 years Computed from date of allotment viz. March 28, 2014.

#### **Payment of benefits to our Promoters**

Except as stated in the Annexure-34 “Related Party Transactions” on page no. 160 of this Draft Red-herring Prospectus, there has been no payment of benefits to our Promoters during the two years preceding the filing of this Draft Red-herring Prospectus.

### Guarantees

Except as stated in the section titled “Restated Financial Statements” beginning on page no. 139 of this Draft Red-herring Prospectus, respectively, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.

### Details of Companies / Firms from which our Promoters have disassociated

Except as below, Our Promoters have not disassociated themselves from any firms or companies in the last three (3) years preceding this Draft Red-herring Prospectus-

Sr. No.	Name of the Promoter	Firm/company with which Disassociated	Date of disassociation	Reason for Disassociation
1.	Ms. Shivani Rajpurohit	Denge Kimya India Private Limited	November 26, 2024	Pursuant to Resignation

### Our Promoter Groupss

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: Vaibhav shah and Shivani Rajpurohit

Relation with Promoters	Vaibhav shah	Shivani Rajpurohit
Father	Late Pravinbhai Shah	Shivlall Purohit
Mother	Pravinaben P Shah	Narmadaben Purohit
Spouse	-	-
Brother	Jashmin Shah	Janak Rajpurohit
Sister	Hemangi Shah	-
Son	-	-
Daughter	-	-
Spouse's Father	-	-
Spouse's Mother	-	-
Spouse's Brother	-	-
Spouse's Sister	-	-

### Companies, Proprietary concerns, HUF’s related to our promoters

Nature of Relationship	Entity
Any body corporate in which twenty per cent. or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or Hindu Undivided Family in which the promoters or any one or more of their relative is a member	1. Equinox Dyes Private Limited
Any body corporate in which a body corporate as provided in above holds twenty per cent. or more, of the equity share capital; and	-
Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital;	1. Equinox Impex

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page no. 193 of Draft Red-herring Prospectus.

## **DIVIDEND POLICY**

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

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

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see “*Financial Indebtedness*” on page no. 178 of Draft Red Herring Prospectus. 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 during the last three Financial Years preceding the filing of this Draft Red Herring Prospectus.

## Section VI – Financial Information

### Restated Financial Information

#### Independent Auditor's Examination Report on Restated Standalone Financial Information Of **SHLOKKA DYES LIMITED** (Formerly Known as SHLOKKA DYES PRIVATE LIMITED)

To,  
The Board of Directors  
**SHLOKKA DYES LIMITED**  
(Formerly Known as SHLOKKA DYES PRIVATE LIMITED)  
Plot No – C/54, GIDC, Saykha, Saran, Bharuch, Vagra, Gujarat, India – 392140

Dear Sirs,

1. We have examined the attached Restated Standalone Financial Information of **SHLOKKA DYES LIMITED** (Formerly known as **SHLOKKA DYES PRIVATE LIMITED**) (the “Company”) comprising the Restated Standalone Statement of Assets and Liabilities as at Oct 31 2024, March 31 2024, 2023 and 2022, the Restated Standalone Statements of Profit and Loss and the Restated Standalone Cash Flow Statement for the years ended Oct 31 2024, March 31 2024, 2023 and 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively referred to as, the “**Restated Standalone Financial Information**”), as approved by the Board of Directors of the Company at their meeting held on 7<sup>th</sup> December 2023 for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) on *SME Platform of (“BSE”)*.

These restated Summary Statement have been prepared in terms of the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”)
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Standalone Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Ahmedabad and the Stock Exchange in connection with the proposed IPO. The Restated Standalone Financial Information has been prepared by the management of the Company on the basis of preparation stated in **Annexure 4** to the Restated Standalone Financial Information. The responsibilities of the Board of Directors of the Company include designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
  3. We have examined such Restated Standalone Financial Information taking into consideration:
    - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 11, 2024 in connection with the proposed IPO of equity shares of Shlokka Dyes Limited (the “Issuer Company”) on *SME Platform of (“BSE”)*.
    - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
    - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Information; and



- d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Standalone Financial Information have been compiled by the management from:
- Audited Standalone Financial Statements of the Company for the period ended on Oct 31 2024, and the year ended on March 31, 2024 prepared in accordance with Accounting Standard as prescribed under section 133 of the Act and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on December 7, 2024 and June 21, 2024 respectively.
  - Audited Standalone Financial Statements of the Company for the year ended on March 31, 2023 and 2022, prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on August 01, 2023 and September 2, 2022 respectively.
5. For the purpose of our examination, we have relied on:
- Auditor's Report issued by us dated June 21, 2024, August 1, 2023 except September 2, 2022 is issued by Arijeet Gandhi & Associates and on the Standalone Financial Statement of the Company for the year ended on Oct 31 2024, March 31 2024, 2023 and 2022 respectively as referred in Paragraph 4(b) above.
6. There were no qualifications in the Audit Reports as at and for the years ended on Oct 31 2024, March 31, 2024, March 31, 2023 and March 31, 2022 which would require adjustments in this Restated Standalone Financial Information of the Company.
7. Based on our examination and according to the information and explanations given to us, we report that:
- The Restated Standalone Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - The Restated Standalone Summary Statements do not require any adjustments for the matter(s) giving rise to modifications mentioned in paragraph 6 above.
  - The Restated Standalone Summary Statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - The Restated Standalone Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
  - Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
  - There was no change in accounting policies, which need to be adjusted in the Restated Standalone Summary Statement. The details of Prior period Adjustments are given in Annexure 5 of the Restated Standalone Financial Statements.
  - From Financial Years 2021-22 to 2023-24 and period ended 31<sup>st</sup> October, 2024 i.e., the period covered in the restatement, the Company has not declared and paid any dividend.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the period ended on Oct 31, 2024 and the year ended on March 31, 2024, 2023 and 2022 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus.

Annexure No.	Particulars
1	Standalone Financial Statement of Assets & Liabilities as Restated
2	Standalone Financial Statement of Profit & Loss as Restated
3	Standalone Financial Statement of Cash Flow as Restated

4	Significant Accounting Policy and Notes to the Restated Standalone Summary Statements
5	Adjustments made in Restated Standalone Financial Statements / Regrouping Notes
6	Statement of Share Capital as restated
7	Statement of Reserves & Surplus as Restated
8	Statement of Long-Term Borrowings as Restated
9	Statement of Deferred Tax Liabilities (Net) as Restated
10	Statement of Long-Term Provisions as Restated
11	Statement of Short-Term Borrowings as Restated
12	Statement of Trade Payable as Restated
13	Statement of Other Current Liabilities as Restated
14	Statement of Short-Term Provisions as Restated
15	Statement of Property, Plant & Equipment and Depreciation as Restated
16	Statement of Non-Current Investments as Restated
17	Statement of Deferred Tax Assets (Net) as Restated
18	Statement of Long-Term Loans and Advances as Restated
19	Statement of Other Non-Current Assets as Restated
20	Statement of Inventories
21	Statement of Trade Receivables as Restated
22	Statement of Cash & Bank Balances as Restated
23	Statement of Short-Term Loans & Advances
24	Statement of Revenue from Operations as Restated
25	Statement of Other Income as Restated
26	Statement of Cost of Material Consumed
27	Statement of Changes in Inventories of Finished Goods
28	Statement of Employees Benefit Expenses as Restated
29	Statement of Finance Costs as restated
30	Statement of Depreciation & Amortizations Expenses as Restated
31	Statement of Other Expenses as Restated
32	Statement of Summary of Accounting Ratios as Restated
33	Statement of Tax Shelter as Restated
34	Statement of Related Parties Transaction as Restated
35	Statement of Employee Benefit Expense - Gratuity as Restated
36	Statement of Contingent Liability as Restated
37	Additional Disclosures with respect to Amendments to Schedule III as Restated
38	Statement of Capitalisation Statement as Restated

9. We, M/s. **Patel & Panchal**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “**Peer Review Board**” of the ICAI.
10. The Restated Standalone Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Standalone Financial Statements and Audited Standalone Financial Statements.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Ahmedabad in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For, Patel & Panchal Chartered Accountants ICAI Firm Reg. No: 123744W**  
**Peer Review Certificate No: 014464**

**Sd/-**  
**Hardik Panchal Partner**  
**Membership No: 114164**  
**UDIN: 24114164BKAHWQ8680**

**Place: Ahmedabad**  
**Date: December 07, 2024**

## Annexure - 1

## STANDALONE FINANCIAL STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amt. in Rs. Lakhs)

Particulars		Annx No	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
I	<b>EQUITY AND LIABILITIES</b>					
1	<b>Shareholders' funds</b>					
a	Share capital	Annx-6	1,505.81	2.71	2.14	1.00
b	Reserves and surplus	Annx-7	786.65	1,763.41	868.82	-0.11
c	Share Application		-	-	-	-
2	<b>Non-current liabilities</b>					
a	Long-term borrowings	Annx-8	1,276.77	1,337.38	1,726.40	364.29
b	Other Non-Current Liabilities		-	-	-	-
c	Deferred Tax Liabilities (Net)	Annx-9	0.14	2.81	22.97	-
d	Long-term Provisions	Annx-10	0.77	0.66	0.09	-
3	<b>Current liabilities</b>					
a	Short-term borrowings	Annx-11	1,590.05	1,541.69	252.32	-
b	Trade payables	Annx-12				
	(A) total outstanding dues of micro enterprises and small enterprises; and		2326.59	423.69	134.30	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises		599.05	1238.33	628.34	-
c	Other current liabilities	Annx-13	171.90	275.27	241.47	135.76
d	Short-term provisions	Annx-14	117.73	133.15	-	-
	<b>TOTAL</b>		<b>8,375.46</b>	<b>6,719.11</b>	<b>3,876.85</b>	<b>500.94</b>
II.	<b>ASSETS</b>					
1	<b>Non-current assets</b>					
a	Property, Plant & Equipment	Annx-15				
i	Tangible assets		2,938.71	2,922.32	2,919.34	-
ii	Intangible Assets		-	-	-	-
iii	Intangible Assets under development		-	-	-	-
iv	Capital Work in Progress		-	-	-	347.90
	Less: Accumulated Depreciation		702.75	483.31	55.60	-
	Net Block		2,235.96	2,439.01	2,863.74	347.90
b	Non Current Investments	Annx-16	-	-	-	-
c	Deferred Tax Asset	Annx-17	-	-	-	-
d	Long-term loans and advances	Annx-18	-	-	-	-
e	Other Non Current Assets	Annx-19	7.45	9.25	12.33	0.25
2	<b>Current assets</b>					
a	Current Investments				-	-
b	Inventories	Annx-20	1,324.30	1,056.26	381.74	-
c	Trade receivables	Annx-21	4,699.42	2,862.76	140.14	-
d	Cash and cash equivalents	Annx-22	8.86	11.08	7.49	7.04
e	Short-term loans and advances	Annx-23	99.47	340.75	471.41	145.75
f	Other Current Asset		-	-	-	-
	<b>TOTAL</b>		<b>8,375.46</b>	<b>6,719.11</b>	<b>3,876.85</b>	<b>500.94</b>
			0.00	0.00	0.00	

Accounting Policies & Notes on  
Accounts As per our Report on Even  
date attached

For and Behalf of Board of Directors of  
**SHLOKKA DYES LIMITED**  
CIN: U24299GJ2021PLC124004

**For PATEL AND PANCHAL**

Chartered Accountants

FRN: 123744W

Peer Review Certificate No: 014464

CA Hardik Panchal

Partner

Membership No : 114164

UDIN: 24114164BKAHQW8680

Place: Ahmedabad

Date: December 07, 2024

**Sd/-**

Vaibhav P Shah

Managing Director

DIN : 06826565

**Sd/-**

Rajesh B Patel

Chief Financial Officer

**Sd/-**

Shivani S. Rajpurohit

Director

DIN: 08820006

**Sd/-**

Ankita S Jain

Company Secretary

Membership No: A47122

**Annexure – 2****STANDALONE FINANCIAL STATEMENT OF PROFIT & LOSS AS RESTATED****(Amt. in Rs. Lakhs)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Annx No</b>	<b>As at 31<sup>st</sup> October , 2024</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
<b>I.</b>	Revenue from operations	Annx-24	5,745.54	6,127.53	876.80	-
<b>II.</b>	Other income	Annx-25	9.60	41.32	2.84	-
<b>III.</b>	<b>Total Revenue (I + II)</b>		5,755.14	6,168.85	879.64	-
<b>IV.</b>	<b>Expenses:</b>					
	Cost of Material Consumed	Annx-26	4,693.03	5,265.58	948.13	-
	Changes in Inventories of Finished Goods	Annx-27	(79.88)	(456.42)	(234.47)	-
	Employee benefits expense	Annx-28	46.45	17.25	4.12	-
	Finance costs	Annx-29	165.74	242.18	18.84	0.01
	Depreciation and amortization expense	Annx-30	221.24	433.86	58.68	-
	Operating and Other expenses	Annx-31	38.56	61.54	1.32	0.10
	Total expenses		5,085.14	5,563.99	796.62	0.11
<b>V.</b>	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		670.00	604.86	83.02	(0.11)
<b>VI</b>	Exceptional Items					
<b>VII</b>	<b>Profit before extraordinary items and tax</b>		670.00	604.86	83.02	(0.11)
<b>VIII</b>	Extraordinary items		-	-	-	-
<b>IX</b>	<b>Profit before tax (VII-VIII)</b>		670.00	604.86	83.02	(0.11)
<b>X</b>	Tax expense:					
	(1) Current tax	Annx-33	121.09	133.23	-	-
	(2) Deferred tax Asset/(Liabilities)	Annx-33	2.67	20.16	(22.97)	-
	(3) Less: - MAT Credit Entitlement			-	-	-
<b>XI</b>	<b>Profit/(loss) for the period from Continuing operations (VII-VII)</b>		551.59	491.79	60.05	-0.11
<b>XII</b>	Profit/(loss) from Discontinuing operations		-	-	-	-
<b>XIII</b>	Tax Expense of Discontinuing operations		-	-	-	-
<b>XIV</b>	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-	-	-
<b>XV</b>	<b>Profit (Loss) for the period (XI + XIV)</b>		551.59	491.79	60.05	(0.11)
<b>XVI</b>	Adjusted Earnings per equity share:					
	(1) Basic EPS (Pre Bonus)		18.98	2,026.03	350.77	(1.10)

Accounting Policies & Notes on Accounts  
As per our Report on Even date attached

**For and Behalf of Board of Directors of  
SHLOKKA DYES LIMITED  
CIN: U24299GJ2021PLC124004**

**For PATEL AND PANCHAL**

Chartered Accountants  
FRN: 123744W  
Peer Review Certificate No: 014464  
**Sd/-**  
CA Hardik Panchal  
Partner  
Membership No.: 114164  
UDIN: 24114164BKAHQW8680  
Place: Ahmedabad  
Date: December 07, 2024

**Sd/-**  
Vaibhav P Shah  
Managing Director  
DIN: 06826565  
  
**Sd/-**  
Rajesh B Patel  
Chief Financial Officer

**Sd/-**  
Shivani S. Rajpurohit  
Director  
DIN: 08820006  
  
**Sd/-**  
Ankita S Jain  
Company Secretary  
Membership No: A47122

**Annexure - 3**

**STANDALONE FINANCIAL STATEMENT OF CASH FLOW AS RESTATED**

(Amt. in Rs. Lakhs)

Sr. No.	Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A.</b>	<b>Cash flow from Operating Activities</b>				
	Net Profit Before tax as per Statement of Profit & Loss	670.00	604.86	83.02	(0.11)
	Adjustments for:				
	Depreciation & Amortisation Exp.	219.44	430.78	55.60	-
	Income Tax Written Off	-	-	-	-
	Finance Cost	165.74	242.18	18.84	0.01
	<b>Operating Profit before working capital changes</b>	<b>1,055.18</b>	<b>1,277.82</b>	<b>157.46</b>	<b>(0.10)</b>
	<b>Changes in Working Capital</b>				
	Trade receivable	(1,836.66)	(2,722.62)	(140.14)	-
	Short term Loans and Advances	241.28	130.66	(325.66)	(145.75)
	Inventories	(268.04)	(674.52)	(381.74)	-
	Other Non Current Assets	1.80	3.08	(12.08)	(0.25)
	Long term Loans and Advances	-	-	-	-
	Trade Payables	1,263.62	899.38	762.64	-
	Other Current Liabilities	(103.37)	33.80	105.71	135.76
	Short Term Provisions	(15.43)	133.15	-	-
	Long Term Provisions	0.11	0.57	0.09	-
	<b>Net Cash Flow from Operation</b>	<b>338.50</b>	<b>(918.68)</b>	<b>166.28</b>	<b>(10.34)</b>
	Less: Income Tax paid	121.09	133.23	-	-
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>217.41</b>	<b>(1,051.91)</b>	<b>166.28</b>	<b>(10.34)</b>
<b>B.</b>	<b>Cash flow from investing Activities</b>				
	Investment in Subs	-	-	-	-
	(Purchase) of Fixed Assets (net)	(16.39)	(140.58)	(2,571.44)	(347.90)
	Movement in Other Non-Current Assets	-	-	-	-
	Sale of Fixed Assets (net)		137.60		
	<b>Net Cash Flow from Investing Activities (B)</b>	<b>(16.39)</b>	<b>(2.98)</b>	<b>(2,571.44)</b>	<b>(347.90)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities</b>				
	Proceeds From Share Application	-	-	-	-
	Proceeds From Issue of shares capital & Share Premium	-	400.31	810.02	1.00
	Short Term Borrowing (Net)	48.36	1,289.37	252.32	-
	Long Term Borrowing (Net)	(60.61)	(389.02)	1,362.11	364.29
	Pre Ipo Exp	(25.25)			
	Interest Paid	(165.74)	(242.18)	(18.84)	(0.01)
	<b>Net Cash Flow from Financing Activities (C)</b>	<b>(203.24)</b>	<b>1,058.48</b>	<b>2,405.61</b>	<b>365.28</b>

<b>D.</b>	<b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	(2.22)	3.59	0.45	7.04
<b>E.</b>	<b>Opening Cash &amp; Cash Equivalents at the beginning of the year</b>	11.08	7.49	7.04	-
<b>F.</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>8.86</b>	<b>11.08</b>	<b>7.49</b>	<b>7.04</b>

#### **Annexure – 4**

### **SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED STANDALONE SUMMARY STATEMENTS**

#### **A. BACKGROUND**

Shlokka Dyes Private Limited (the "Company") is a Private Limited Company domiciled in India and was incorporated on 9th July 2021 vide Registration No. U24299GJ2021PTC124004 under the provisions of the Companies Act, 2013. The registered office and factory of the Company is situated at Plot No – C/54, GIDC, Saykha, Saran, Bharuch, Vagra, Gujarat, India – 392140. Further the company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on October 8, 2024 and the name of the Company was changed to Shlokka Dyes Limited ('the Company' or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 11<sup>th</sup> November 2024 Registrar of Companies, Ahmedabad with Corporate Identification Number U24299GJ2021PLC124004.

The Company is engaged in the business of Manufacturing of Synthetic Organic Dyes.

#### **B. SIGNIFICANT ACCOUNTING POLICIES**

##### **Basis of preparation:**

The summary statement of restated assets and liabilities of the Company as at Oct 31 2024, March 31 2024, 2023 and 2022 and the related summary statement of restated profit and loss and cash flows for the year ended Oct 31 2024, March 31 2024, 2023 and 2022 (collectively referred to as the "Restated summary financial information") have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

The restated summary financial information has been prepared by applying necessary adjustments to the financial statements ('financial statements') of the Company. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations 2009, as amended (the "Regulations"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistently applied.

##### **Use of estimates:**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

##### **Revenue recognition:**

The company derives its revenues primarily from Sale of Synthetic Organic Dyes. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured in accordance with AS-9, Revenue Recognition. Sales are recognized on accrual basis, and only after transfer of services to the customer.



Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the proportionate completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of efforts incurred up to the balance sheet date, which bears to the total hours / days estimated for the contract.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues.

Interest Income: Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable. Dividend Income: Dividend Income is recognised when the owners' right to receive payment is established.

Other Income: Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

#### **Property Plant and Equipment including Intangible assets:**

Property Plant and Equipment's are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipments purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase.

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

#### **Depreciation & Amortizations:**

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Written Down Value (WDV) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortizations expense on intangible assets with finite lives is recognised in the statement of profit and loss. In respect of the assets sold during the year, amortization is provided from the beginning of the year till the date of its disposal.

#### **The estimated useful lives of assets are as follows:**

##### **Useful life of Property, Plant and Equipments**

<b>Category</b>	<b>Useful life</b>
Computer & Accessories	3 years
Furniture & Fittings	10 years
Office Equipments	5 years
Plant & Machinery	15 years
Printers & Scanners	6 years
Vehicles	8 years

#### **Impairment of assets:**

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

**Use of estimates:**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

**Foreign currency transactions:****Domestic Operation:****I. Initial recognition:**

A Foreign currency transaction are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**II. Measurement:**

Foreign currency monetary items are reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**III. Treatment of Foreign exchange:**

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

**Employee Benefits:****A Short - term employee benefits:****Leave encashment:**

The leave encashment liability upon retirement would not arise as the accumulated leave is reimbursed every year and accounted at actual.

**B Post-Employment benefits:****Defined benefit plan:**

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

**Defined contribution Plan:**

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

**Taxes on Income:**

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

**A . Current Tax:**

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

#### **B . Deferred Tax:**

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

#### **Provisions and Contingent Liabilities:**

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of 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 possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **Earnings Per Share:**

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

#### **Operating Leases:**

Lease where the Lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating lease. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis.

#### **Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash and cash deposits with banks. The Company considers all highly liquid investments with an original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

#### **Cash Flow Statement:**

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated.

#### **Investments:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

#### **Annexure – 5**

## ADJUSTMENTS MADE IN RESTATED STANDALONE FINANCIAL STATEMENTS / REGROUPING NOTES

### Adjustments having no impact on Profit Material Regrouping

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

### Reconciliation of Profit:

(Amount in ₹ Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Net profit After Tax as per audited accounts but before adjustments for restated accounts:	556.43	487.14	60.12	(0.11)
Provision for gratuity recognized	0.11	0.57	0.09	0.00
Provision for Tax	(0.02)	0.09	0.00	0.00
Provision for Deferred Tax	4.76	(5.31)	(0.02)	0.00
<b>Net adjustment in Profit and loss Account</b>	<b>4.84</b>	<b>(4.65)</b>	<b>0.07</b>	<b>0.00</b>
Adjusted Profit after Tax	551.59	491.79	60.05	(0.11)
<b>Net Profit after Tax as per Restated Accounts</b>	<b>551.59</b>	<b>491.79</b>	<b>60.05</b>	<b>(0.11)</b>

### Reconciliation of Equity:

(Amount in ₹ Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Equity as per Audited Financial Statements	2,292.74	1,761.56	871.03	0.89
Provision for gratuity recognized	0.11	0.57	0.09	0.00
Difference in amount of depreciation	0.00	0.00	0.00	0.00
Provision for Tax	(0.02)	0.18	0.00	0.00
Provision for Deferred Tax	0.18	(5.31)	(0.02)	0.00
<b>Net adjustment in Equity</b>	<b>0.27</b>	<b>(4.56)</b>	<b>0.07</b>	<b>0.00</b>
Adjusted Equity	2,292.47	1,766.12	870.96	0.89
<b>Equity as Restated</b>	<b>2,292.47</b>	<b>1,766.12</b>	<b>870.96</b>	<b>0.89</b>

### Annexure – 6

#### STATEMENT OF SHARE CAPITAL AS RESTATED

(Amount in ₹ Lakhs)

Share Capital	As at 31st October 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	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	22,000,000.00	2,200.00	1,000,000.00	100.00	1,000,000.00	100.00	10,000	1.00
<b>Issued</b> Equity Shares of Rs.10 each	15,058,148.00	1,505.81	27,083	2.71	21,433	2.14	10,000	1.00
<b>Subscribed &amp; Paid up</b> Equity Shares of Rs.10 each fully paid up Capital Account	15,058,148.00	1,505.81	27,083	2.71	21,433	2.14	10,000	1.00
<b>Total</b>	<b>15,058,148</b>	<b>1,505.81</b>	<b>27,083</b>	<b>2.71</b>	<b>21,433</b>	<b>2.14</b>	<b>10,000</b>	<b>1.00</b>

#### Annx-6.1: RECONCILIATION OF NUMBER OF SHARES

Name	of	Equity Shares	Equity Shares	Equity Shares	Equity Shares
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Shareholder	Number	Amt. Rs. In Lakhs	Number	Amt. Rs. In Lakhs	Number	Amt. Rs. In Lakhs	Number	Amt. Rs. In Lakhs
Shares outstanding at the beginning of the year	27,083	2.71	21,433	2.14	10,000	1.00	-	-
Shares issued during the year	15,031,065	1,503.11	5,650	0.57	11,433	1.14	10,000	1.00
Shares outstanding at the end of the year	15,058,148	1,505.82	27,083	2.71	21,433	2.14	10,000	1.00
<b>Annx-6.2: Details of shares held by shareholders holding more than 5% of the aggregate shares in the company</b>								
Name of Shareholder	As at 31st October 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Vaibhav P. Shah	9,035,000	60.00%	16,250	60.00%	12,860	60.00%	6,000	60.00%
Shivani S. Rajpurohit	6,023,148	40.00%	10,833	40.00%	8,573	40.00%	4,000	40.00%
<b>Annx-6.3: Details of Shares held by Promoters &amp; Promoters Group</b>								
Name of Shareholder	As at 31st October 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity shares of Rs. 10 each fully paid-up</b>								
Vaibhav P. Shah	9,035,000	60.00%	16,250	60.00%	12,860	60.00%	6,000	60.00%
Shivani S. Rajpurohit	6,023,148	40.00%	10,833	40.00%	8,573	40.00%	4,000	40.00%

#### Annexure - 7

#### STATEMENT OF RESERVES AND SURPLUS AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A. Securities Premium Account</b>				
Opening Balance	1,208.62	808.88	-	-
Add : Securities premium credited on Share issue	-	399.74	808.88	-
Less : Premium Utilised for various reasons	-	-	-	-
For Issuing Bonus Shares	1,208.62	-	-	-
Closing Balance	-	1,208.62	808.88	-
<b>A. Profit &amp; Loss Account</b>				
Opening balance	554.79	59.94	(0.11)	-
(+) Net Profit/(Net Loss) For the current year	551.59	491.79	60.05	(0.11)
(-) Income Tax Written off during the year	0	-	-	-
(+) Depreciation adjustment during the year	0	3.07	-	-
(-) Pre IPO Expense	25.25	-	-	-
(-) Amount utilised for Issuing Bonus Shares	294.48	-	-	-
Closing Balance	786.65	554.79	59.94	(0.11)
<b>Total</b>	<b>786.65</b>	<b>1,763.41</b>	<b>868.82</b>	<b>(0.11)</b>

#### Annexure – 8

#### STATEMENT OF LONG-TERM BORROWINGS AS RESTATE

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October,	As at 31 <sup>st</sup> March,	As at 31 <sup>st</sup> March,	As at 31 <sup>st</sup> March,
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	2024	2024	2023	2022
<b>Secured</b>				
<b>Loan from Bank and Financial Institutions</b>	<b>1348.55</b>	<b>1440.33</b>	<b>1512.94</b>	<b>0.00</b>
Less: Current Maturities	180.00	156.00	72.00	-
Sub-total (A)	1,168.55	1,284.33	1,440.94	-
<b>Unsecured</b>				
<b>(a) Loans &amp; Advances from Promoters/Promoter Group/Group Companies</b>				
From Directors, Family Members, relatives	108.22	53.05	285.46	364.29
<b>(b) From Bank, Financial Institution or NBFCs</b>				
Sub- total (B)	108.22	53.05	285.46	364.29
<b>Total</b>	<b>1,276.77</b>	<b>1,337.38</b>	<b>1,726.40</b>	<b>364.29</b>

#### Annexure – 8.1

#### NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

Particulars	Rate of Interest	No of O/S Instalments	Instalment Amount (Rs. In Lakhs)	Starting Date
<b>State Bank of India - Term Loan -</b>	1% margin above the EBLR.	62 Months	As per note below	10-07-2023

#### Nature of Security

##### PRIMARY SECURITY

1. State Bank of India: Term Loan is Primarily secured against hypothecation charge on entire stock of inventory, receivables, bills and other chargeable current assets of the Company both present and future. SBI's exclusive charge on Plant and Machinery created out of bank finance.

##### COLLATERAL SECURITY

1. Equitable Mortgage charge over non-agricultural leasehold land bearing Revenue Survey Nos. 237/p, 217/P, 238/P, 239/P, 240/P scheme known as "Sayakha Industrial Estate" of GIDC is situated in which, Plot No. C-54, Sykha admeasuring about 5000sq. mtrs. And constructed thereon of Mouje: Sayakha, Taluka: Vagrain, District: Bharuch and Sub-district: Vagra, Gujarat in the name of M/s Shlokka Dyes Private Limited.

2. Equitable Mortgage charge over Immovable Property being Private Sub-Plot No. 43, having land area of admeasuring about 979.80 sq. mtrs and together with a constructed residential units (Bungalow) thereon admeasuring about 401.34 or thereabouts (Buildup area thereon also together with proportionate undivided share of land admeasuring about 326.22 sq. mtrs in the scheme known as "Gala Villa Lotus" on non-agricultural land bearing Amalgamated Block No. 78 paiki admeasuring 36241.14 sq. mtrs, Block No. 1102 admeasuring about 1214 sq. mtrs. & Block No. 1103 admeasuring about 12242 sq. mtrs and total area of admeasuring 49697.74 sq. mtrs in the name of Shri Vaibhav Pravinchandra Shah.

3. Equitable Mortgage charge over non-Agricultural Land bearing Revenue Survey No.624 (Old Revenue Survey No.570) admeasuring 2805 sq. mtrs. And construction to be made thereon of Mouje Vadsar, Taluka: Kalol, District: Ahmedabad and Sub-District: Kalol in the name of Smt. Shivani Shivilal Rajpurohit

#### Instalment Amount (Rs. In Lakhs)

Due Date	No of Installments	Installment Amount (Rs in Lakhs)
10-07-2023 to 10-03-2024	9	8.00
10-04-2024 to 10-03-2025	12	13.00
10-04-2025 to 10-03-2026	12	15.00
10-04-2026 to 10-03-2027	12	17.00
10-04-2027 to 10-03-2028	12	19.00
10-04-2028 to 10-03-2029	12	25.00
10-04-2029 to 10-12-2029	9	40.00

**Notes: (3.1) The figures disclosed above are based on the Statements of Assets and Liabilities as Restated of the Company**

**(3.2) The rate of interest given above are as agreed with the lenders in the respective facility letters.**

**(3.3) The above includes long-term borrowings disclosed under Annexure and the current maturities of long-term borrowings included in other current liabilities**

## Annexure – 9

**STATEMENT OF DEFERRED TAX LIABILITIES (NET) AS RESTATED** (Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Deferred Tax Liabilities	0.14	2.81	22.97	0.00
<b>Total</b>	<b>0.14</b>	<b>2.81</b>	<b>22.97</b>	<b>-</b>

## Annexure – 10

**STATEMENT OF LONG-TERM PROVISIONS AS RESTATED** (Amount in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Provision for Employee Benefits	0.77	0.66	0.09	0.00
<b>Total</b>	<b>0.77</b>	<b>0.66</b>	<b>0.09</b>	<b>-</b>

## Annexure – 11

**STATEMENT OF SHORT-TERM BORROWINGS AS RESTATED** (Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Secured</b>				
Current Maturity of Long-Term borrowings	180.00	156.00	72.00	0.00
Loan Payable on Demand	1410.05	1,385.69	180.32	-
<b>Unsecured</b>				
Loan Payable on Demand	-	-	-	-
<b>Total</b>	<b>1,590.05</b>	<b>1,541.69</b>	<b>252.32</b>	<b>-</b>
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)				
1. Period of default	-	-	-	-
2. Amount	-	-	-	-

**Annexure – 11.1 NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS****Secured****Loans repayable on demand from banks**

State Bank of India - Cash credit limit of the bank is secured against hypothecation of stock and book debt of the company as primary security.	Terms of Repayment: Repayable on demand. The facility which has been sanctioned on 02.07.2022 is available for 12 months from that date, subject to review/renewal every 12 months, when it may be cancelled / reduced depending upon the conduct and utilization of the advance, or as per the Bank's Scheme.
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**Annexure – 12 STATEMENT OF TRADE PAYBLES AS RESTATED****Disclosure as required by MSMED Act, 2006**

(Amt. in ₹. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a) (i) The principal amount thereon, remaining unpaid to any supplier as at the end of accounting year	2,925.64	1,662.02	762.64	-
(ii) The interest due thereon, remaining unpaid to any supplier as at the end of accounting year	-	-	-	-
b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the	-	-	-	-



payment made to the supplier beyond the appointed day during each accounting year				
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-	-	-
e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-	-	-

#### Annexure 12.1 TRADE PAYABLE

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Micro, Small and Medium Enterprise	2326.59	423.69	134.30	-
(b) Others	599.05	1,238.33	628.34	-
(c) Disputed dues - MSME	-	-	-	-
(d) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>2,925.64</b>	<b>1,662.02</b>	<b>762.64</b>	<b>-</b>

#### Annexure 12.2 Trade Payable Ageing Schedule

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Disputed Dues				
(a) Micro, Small and Medium Enterprise				
Less than 1 Year	-	-	-	-
1 to 2 Years	-	-	-	-
2 to 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
(b) Others				
Less than 1 Year	-	-	-	-
1 to 2 Years	-	-	-	-
2 to 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
Undisputed Dues				
(a) Micro, Small and Medium Enterprise				
Less than 1 Year	2326.59	423.69	134.30	-
1 to 2 Years	-	-	-	-
2 to 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
(b) Others				
Less than 1 Year	599.05	1,238.33	628.34	-
1 to 2 Years	-	-	-	-
2 to 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Total</b>	<b>2,925.64</b>	<b>1,662.02</b>	<b>762.64</b>	<b>-</b>

#### Annexure – 13

#### STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October,	As at 31 <sup>st</sup> March,	As at 31 <sup>st</sup> March,	As at 31 <sup>st</sup> March,
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	2024	2024	2023	2022
(i) TDS Payable	1.28	6.67	5.25	-
(ii) Professional Tax Payable	0.03	0.31	-	-
(iii) PF Payable	0.48	-	-	-
(iv) Salary Payable	2.28	3.51	3.07	-
(v) Creditor for Expenses	165.84	246.39	17.03	79.57
(vi) Creditor for Capital goods	1.99	18.39	216.12	56.19
<b>Total</b>	<b>171.90</b>	<b>275.27</b>	<b>241.47</b>	<b>135.76</b>

#### Annexure – 14

##### STATEMENT OF SHORT-TERM PROVISIONS AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Provision For				
Income Tax	117.73	133.15	-	-
Other Provisions	-	-	-	-
Employee Benefits	-	-	-	-
<b>Total</b>	<b>117.73</b>	<b>133.15</b>	<b>-</b>	<b>-</b>

#### Annexure -16

##### STATEMENT OF NON-CURRENT INVESTMENTS AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(Unquoted, At Cost) Investments in Equity Instruments In subsidiaries	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Annexure 17

##### STATEMENT OF DEFERRED TAX ASSETS (NET) AS RESTATED

(Amount in ₹ Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Deferred Tax Asset				
(a) On Account of Depreciation	-	-	-	-
(b) On Account of Gratuity	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Annexure 18

##### STATEMENT OF LONG-TERM LOANS & ADVANCES AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(Unsecured and Considered Good)				
Balance With Statutory and Govt Authorities	-	-	-	-
Other Advances	-	-	-	-
Business Development Expenses	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Annexure 19

##### STATEMENT OF OTHER NON-CURRENT ASSETS AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022

Other Non-Current Asset	7.45	9.25	12.33	0.25
<b>Total</b>	<b>7.45</b>	<b>9.25</b>	<b>12.33</b>	<b>0.25</b>

#### Annexure – 20

##### STATEMENT OF INVENTORIES

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Sem - Finished Goods	583.12	535.92	234.47	0.00
Finished Goods	187.65	154.97		
Raw Material	553.53	365.37	147.27	0.00
<b>Total</b>	<b>1,324.30</b>	<b>1,056.26</b>	<b>381.74</b>	<b>-</b>

#### Annexure 21

##### STATEMENT OF TRADE RECEIVABLES AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(Unsecured and Considered Good)				
a. From Directors/Promoters/ Promoter Group/Associates/ Relatives of Directors / Group Companies				
Over Six Months	111.81	-	-	-
Others	-	2,117.74	114.32	-
b. From Others				
Upto 6 Months	4587.61	539.84	25.82	0.00
6 Months to 1 Year	-	205.18	-	-
1 to 2 Years	-	-	-	-
2 to 3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
<b>Total</b>	<b>4,699.42</b>	<b>2,862.76</b>	<b>140.14</b>	<b>-</b>

#### Annexure -22

##### STATEMENT OF CASH & BANK BALANCES AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a. Balances with banks</b>				
Bank Balance	0.03	1.18	0.19	7.04
<b>b. Cash on hand</b>	1.18	2.62	0.02	-
<b>c. Fixed Deposits</b>				
Margin money having more than 3 Months Initial maturity but less than 12 months	-	-	-	-
Margin money having more than 12 Months Initial maturity	7.65	7.28	7.28	-
<b>Total</b>	<b>8.86</b>	<b>11.08</b>	<b>7.49</b>	<b>7.04</b>

#### Annexure -23

##### STATEMENT OF SHORT TERM LOANS AND ADVANCES

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(Unsecured and Considered Good)				
<b>a. Loans and advances to Directors/Promoters/Promoter Group/ Associates/ Relatives of Directors/Group Company</b>	-	-	-	-
<b>b. Balance with Government Authorities</b>	39.67	258.37	412.53	59.92

<b>c. Others (specify nature)</b>				
Prepaid/deposit	20.88	22.52	21.01	2.12
Advance to Creditors	0.13	29.82	10.54	-
Advance for Capital Goods	38.62	30.02	27.31	83.71
Advance to Staff	0.15	-	-	-
Bank Interest Receivable	0.02	0.02	0.02	-
Advance to others	-	-	-	-
<b>Total</b>	<b>99.47</b>	<b>340.75</b>	<b>471.41</b>	<b>145.75</b>

#### Annexure -24

##### STATEMENT OF REVENUE FROM OPERATION AS RESTATED

(Amt. in Rs. Lakhs)

<b>Particulars</b>	<b>As at 31<sup>st</sup> October, 2024</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
Sale of Goods	-	-	-	-
- Domestic Sales	5745.54	5,618.65	876.80	-
- Export Sales	0	508.88	-	-
Less : Sales Return	0	-	-	-
<b>Total</b>	<b>5,745.54</b>	<b>6,127.53</b>	<b>876.80</b>	<b>-</b>

#### Annexure 25

##### STATEMENT OF OTHER INCOME AS RESTATED

(Amt. in Rs. Lakhs)

<b>Particulars</b>	<b>As at 31<sup>st</sup> October, 2024</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
<b>Interest Income</b>				
Interest on FD Deposits	0.29	0.49	0.14	-
Interest on IT Refund	0	0.10	-	-
Insurance Claim	0	26.97	-	-
Duty Drawback	2.39	11.10	-	-
Foreign Exchange Fluctuation	4.97	2.66	2.70	-
Other Income				
Rent Income	1.4	-	-	-
Kasar A/c	0.55	-	-	-
<b>Total</b>	<b>9.60</b>	<b>41.32</b>	<b>2.84</b>	<b>-</b>

#### Annexure 26 : STATEMENT OF COST OF MATERIAL CONSUMED

(Amt. in Rs. Lakhs)

<b>Particulars</b>	<b>As at 31<sup>st</sup> October , 2024</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
Opening Stock of Raw Material	365.37	147.27	-	
Purchase of Goods	4779.30	4,992.33	1,076.52	-
Direct Expenses	101.89	491.35	18.88	-
Closing Stock of Raw Material	553.53	365.37	147.27	-
<b>Cost of Materials Consumed</b>	<b>4,693.03</b>	<b>5,265.58</b>	<b>948.13</b>	<b>-</b>

#### Annexure 27

##### STATEMENT OF CHANGES IN INVENTORIES OF SEMI/FINISHED GOODS

(Amt. in Rs. Lakhs)

<b>Particulars</b>	<b>As at 31<sup>st</sup> October, 2024</b>	<b>As at 31<sup>st</sup> March, 2024</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
<b><u>Inventories at the end of the year</u></b>				
Finished Goods	187.65	154.97	-	-
Semi - Finished Goods	583.12	535.92	234.47	
<b><u>Inventories at the beginning of the year</u></b>				
Finished Goods	154.97	-	-	-

Semi - Finished Goods	535.92	234.47	-	-
<b>Net(Increase)/decrease</b>	<b>(79.88)</b>	<b>(456.42)</b>	<b>(234.47)</b>	<b>-</b>

#### Annexure 28

##### STATEMENT OF EMPLOYEE BENEFITS EXPENSES AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Salaries and Wages	43.47	16.68	4.03	-
(b) Contributions to Provident Fund & Other Fund				
Provident Fund	2.87	-	-	-
ESI	-	-	-	-
(c) Staff welfare expenses	0.00	-	-	-
(d) Provision for Gratuity	0.11	0.57	0.09	-
<b>Total</b>	<b>46.45</b>	<b>17.25</b>	<b>4.12</b>	<b>-</b>

#### Annexure 29

##### STATEMENT OF FINANCE COSTS AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Interest expense :-				
(i) Borrowings	164.42	220.59	18.83	-
(b) Other borrowing costs	1.32	21.59	0.01	0.06
<b>Total</b>	<b>165.74</b>	<b>242.18</b>	<b>18.84</b>	<b>0.01</b>

#### Annexure 30

##### STATEMENT OF DEPRECIATION & AMORTISATION EXPENSES AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Depreciation Exp	219.44	430.78	55.60	-
Amortisation Exp	1.80	3.08	3.08	-
<b>Total</b>	<b>221.24</b>	<b>433.86</b>	<b>58.68</b>	<b>-</b>

#### Annexure -31

##### STATEMENT OF OTHER EXPENSES AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Late fees	0.49	0.51	0.01	-
Consulting Charges	3.88	3.03	0.05	-
Insurance Exps	2.20	3.16	0.12	-
Travelling exp	-	0.54	0.35	-
Exhibition Expenses	-	26.35	-	-
Telephone Expense	0.32	0.54	0.04	-
Computer Expense	0.80	1.64	-	-
Kasar Vatav	-	0.61	0.03	-
Security Expenses	4.10	5.57	0.42	-
Inspection Charges	-	0.07	-	-
Credit Card Charges	-	0.90	-	-
Rate, Taxes & Fees	0.28	0.48	-	-
Postage & Courier Expense	-	0.01	-	-
ROC Expense	-	0.13	-	-
GIDC Expense	4.93	11.55	-	-

Stationery & Printing Expense	0.81	1.57	-	-
Transportation Expense	8.28	3.94	-	-
Repairs & Maintenance - Others	-	0.64	-	-
Audit Fees	-	0.30	0.30	0.10
GPCB Expense	8.48	-	-	-
Office Expense	2.34	-	-	-
Rent expense	1.65	-	-	-
<b>Total</b>	<b>38.56</b>	<b>61.54</b>	<b>1.32</b>	<b>0.10</b>

#### Annexure - 32

#### STATEMENT OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED (Amt. in Rs. Lakhs)

Ratios	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Restated PAT as per P&L Account	551.59	491.79	60.05	-0.11
EBIDTA	1,056.98	1,280.90	160.54	-0.10
Weighted Average Number of Equity Shares at the end of the Year/Period (Pre Bonus Issue)	29,06,866	24,273	17,118	10,000
Weighted Average Number of Equity Shares at the end of the Year/Period (Post Bonus Issue)	1,50,58,148	1,50,58,148	1,50,52,498	1,50,41,065
No. of equity shares at the end of the year/period	1,50,58,148	27,083	21,433	10,000
Net Worth	2,285.02	1,756.87	858.63	0.64
Current Asset	6,132.05	4,270.85	1,000.78	152.79
Current Liability	4,805.32	3,612.13	1,256.43	135.76
Basic EPS (pre Bonus)	18.98	2,026.03	350.77	-1.10
Basic EPS (post Bonus)	3.66	3.27	0.40	0.00
<b>Return on Net Worth (%) (Annualised)</b>	<b>24.06%</b>	<b>27.85%</b>	<b>6.89%</b>	<b>-12.36%</b>
<b>Net Asset Value Per Share (Rs)</b>	<b>15.17</b>	<b>6,486.99</b>	<b>4,006.10</b>	<b>6.40</b>
<b>Current Ratio</b>	<b>1.28</b>	<b>1.18</b>	<b>0.80</b>	<b>1.13</b>
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

Notes -

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (Rs.) =  $\frac{\text{Restated PAT attributable to Equity/Shareholder}}{\text{Weighted Average Numbers of Equity Shares outstanding during the year}}$

Return on Net Worth (%) =  $\frac{\text{Restated PAT attributable to Equity/Shareholder}}{\text{Net Worth}}$

Net Asset Value per equity share (Rs.) =  $\frac{\text{Net Worth}}{\text{Weighted Average Numbers of Equity Shares outstanding during the year}}$

2. Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor.
3. Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
4. The figures disclosed above are based on the Restated Financial Statements of the Company.

#### Annexure - 33

#### STATEMENT OF TAX SHELTER AS RESTATED (Amt. in Rs. Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
-------------	--	--	--	--

<b>Profit before tax as per books (A)</b>	<b>670.00</b>	<b>604.86</b>	<b>83.02</b>	<b>-0.11</b>
Normal Corporate Tax Rate (%) (B)	17.16%	17.16%	17.16%	17.16%
Normal Corporate Tax Rate (Other Source) (%)	17.16%	17.16%	17.16%	17.16%
MAT Rates ( C )	19.055%	19.055%	19.055%	0.00%
<b>Tax Expenses at Nominal Rate (D = A * B)</b>	<b>114.97</b>	<b>103.79</b>	<b>14.25</b>	<b>0.00</b>
<b>Permanent Differences(E)</b>				
Expenses disallowed under Income Tax Act, 1961	-27.83	30.47	-	-
<b>Total Permanent Differences(E)</b>	<b>-27.83</b>	<b>30.47</b>	<b>0.00</b>	<b>0.00</b>
<b>Timing Differences (F)</b>				
Employee Gratuity	0.11	0.57	0.09	0.00
Depreciation as per Books of Accounts	219.44	430.78	55.60	0.00
Deprecitaion As Per Income Tax	176.14	344.23	189.55	0.00
<b>Total Timing Differences (F)</b>	<b>43.41</b>	<b>87.12</b>	<b>-133.86</b>	<b>0.00</b>
<b>Net Adjustments G = (E+F)</b>	<b>15.58</b>	<b>117.59</b>	<b>-133.86</b>	<b>0.00</b>
<b>Brought Forward Losses set off (H)</b>	-	0.11	-	-
<b>Net adjustment after Loss (I=G-H)</b>	<b>15.58</b>	<b>117.48</b>	<b>-133.86</b>	<b>-</b>
<b>Tax Impact on Adjustment (J=I*B)</b>	<b>2.67</b>	<b>20.16</b>	<b>-22.97</b>	<b>-</b>
<b>Tax Expenses (Normal Tax Liability) (K=D-J)</b>	<b>117.65</b>	<b>123.95</b>	<b>-8.72</b>	<b>-</b>

#### Annexure – 34

#### STATEMENT OF RELATED PARTIES TRANSACTIONS AS RESTATED

Sr No	Name of Related Party	Relationship
1	Vaibhav Shah	Key Management Personnel
2	Shivani Rajpurohit	Key Management Personnel
3	Equinox Impex	Enterprise owned or significantly influenced by key management personnel

Particulars	Relation	31 <sup>st</sup> October, 2024	2023-24	2022-23	2021-22
<b>Loan Accepted:</b>					
Vaibhav Shah	Key Management Personnel	40.00	2.00	475.65	0.00
Shivani Rajpurohit	Key Management Personnel	153.50	37.00	26.00	0.00
<b>Loan Repaid :</b>					
Vaibhav Shah	Key Management Personnel	5.00	250.00	246.00	0.00
Shivani Rajpurohit	Key Management Personnel	133.33	21.42	313.65	0.00
<b>BALANCE OUTSTANDING</b>					
Vaibhav Shah	Key Management Personnel	61.21 Cr	26.21 Cr	274.21Cr	44.56 Cr.
Shivani Rajpurohit	Key Management Personnel	47.00 Cr	26.83 Cr	11.25 Cr	298.90 Cr
<b>Sale of Goods</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	2674.89	4039.96	849.69	0.00
<b>Jobwork Sales</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	327.74	132.47	0.00	0.00
<b>Purchase of Capital Goods</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	0.00	0.00	135.65	0.00
<b>Purchase of Goods &amp; Payment of Expense</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	1107.32	295.08	208.01	0.00
<b>BALANCE OUTSTANDING</b>					
Equinox Impex	Enterprise owned or	920.06 Dr.	2103.92	114.32	20.83 Cr.



	significantly influenced by key management personnel		Dr.	Dr.	
<b>Issue of Share Capital (Including Share Premium)</b>					
Vaibhav Shah	Key Management Personnel	901.88	0.34	486.03	0.60
Shivani Rajpurohit	Key Management Personnel	601.23	0.23	324.00	0.40
<b>Rent Income</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	1.40	0.00	0.00	0.00
<b>Rent Expense</b>					
Equinox Impex	Enterprise owned or significantly influenced by key management personnel	1.66	0.00	0.00	0.00

#### Annexure -35

#### STATEMENT OF EMPLOYEE BENEFIT EXPENSE - GRATUITY AS RESTATED

**Gratuity** - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

**Interest cost:** It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

**Current Service Cost:** is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

**Actuarial Gain or Loss:** occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions

#### (i) Reconciliation of opening and closing balance of gratuity obligations (Amount in ₹ Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Net Liability as at the beginning of the period	0.66	0.09	-	-
Net Expenses in P/L A/c	0.11	0.57	0.09	-
Benefits Paid	-	-	-	-
Net Liability as at the end of the period	0.77	0.66	0.09	-
<b>Present Value of Gratuity Obligation (Closing)</b>	<b>0.77</b>	<b>0.66</b>	<b>0.09</b>	<b>-</b>

#### (ii) Expenses recognised in Statement of Profit and Loss during the year (Amount in ₹ Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Interest Cost	0.03	0.01	-	-
Current Service Cost	0.38	0.41	0.09	-
Past Service Cost				-
Expected Return on Plan Assets				-
Curtailment Cost (Credit)				-
Settlement Cost (Credit)				-
Net Actuarial (gain) / loss	-0.30	0.15	-	-
Net Expenses to be recognized in P&L	0.11	0.57	0.09	-
<b>Total</b>	<b>0.11</b>	<b>0.57</b>	<b>0.09</b>	<b>-</b>

#### (iii) Changes in Benefit Obligations (Amount in ₹ Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Opening Defined benefit Obligation	0.66	0.09	-	-
Current service cost	0.38	0.41	0.09	-

Interest cost for the year	0.03	0.01	-	-
Actuarial losses (gains)	-0.30	0.15	-	-
Benefits paid	-	-	-	-
Closing Defined benefit Obligation	0.77	0.66	0.09	-
<b>Total</b>	<b>0.77</b>	<b>0.66</b>	<b>0.09</b>	<b>-</b>

**(iv) Actuarial assumptions**

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Rate of discounting	6.97%	7.21%	7.41%	6.57%
Salary Escalation	7.00%	7.00%	7.00%	8.00%
Attrition Rate	10.00%	10.00%	10.00%	10.00%
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

**Annexure – 36**

**STATEMENT OF CONTINGENT LIABILITIES AS RESTATED**

**A. Contingent Liabilities**

(Amount in ₹ Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Claims against the Company not acknowledged as debt -	-	-	-	-
Guarantees -	-	-	-	-
Other money for which the Company is contingently liable	-	-	-	-
<b>Total -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**B. Commitments**

(Amount in ₹ Lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for-	-	-	-	-
Uncalled liability on share and other investments partly paid-	-	-	-	-
Other commitments-	-	-	-	-
<b>Total -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ADDITIONAL DISCLOSURES WITH RESPECT TO AMENDMENTS TO SCHEDULE III AS RESTATED**

**Annexure – 37**

- (i) The Company have no immovable property whose title deeds are not held in the name of the company.
- (ii) The Company has not revalued its Property, Plant and Equipment during the reporting years.
- (iii) Loans and Advances granted to Promoters, Directors, KMP and Related Parties:  
There are no Loans and Advances in the nature of loans that are granted to promoters, directors, KMP's and the related parties either severally or jointly with any other person, that are repayable on demand.
- (iv) There are no proceedings initiated or pending against the Parent for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

- (v) The Company has no borrowing from the banks or financial institutions on the basis of security of current assets, hence no quarterly returns or statements of current assets are required to be filed by the Company with any the banks or financial institutions.
  - (vi) The Company is not declared as wilful defaulter by any bank or financial institution or other lender.
  - (vii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.
  - (viii) The Company do not have any charge to be registered with Registrar of Companies beyond the statutory period.
  - (ix) The Company has subsidiaries with one layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
  - (x) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
  - (xi) Utilisation of Borrowed funds and share premium:
- A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

#### Accounting Ratios

(Amount in ₹ Lakhs)

Sr · N o.	Ratios	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	Reason for Movements
a)	Current Ratio	1.28	1.18	0.80	1.13	The Company has started working in FY 2023 in the month of Feb -2023 and the current ratio was very less as the company had just started its operation. Post FY2023 there is continuous improvement in Current Ratio as company is ploughing back its profit and optimizing its funds. Company will remain above industrial benchmark in coming years and so on.
b)	Debt- Equity Ratio	1.25	1.63	2.27	409.31	In the FY 2022 the company was started and promoter had brought funds in the form of Unsecured loans. Post that in FY2023 promoter had further infused capital which had helped to reduce the Debt Equity ratio and post that by continuous ploughing back of profit Debt Equity ratio has further improved and will keep on improving in future.
c)	Debt Service Coverage Ratio	5.62	5.36	8.53	N.A	The Company has started operation in FY 2023 in the month of Feb - 2023, and due to starting of repayment in Term Loans and enhancement in Working Capital there was slight decrease in Debt Service Coverage Ratio, but with

						continuous increase in PAT same has always remained above industrial benchmark.
d)	Return on Equity Ratio	24.14%	27.99%	6.99%	-17.19%	Return on Equity Ratio is increased in FY2023 and FY2024 due to increased in turnover and profit of the company, there has been slight decrease in current year due to increase in Equity shareholder's fund.
e)	Inventory turnover ratio (in times)	4.34	5.80	2.30	N.A	The Company has started operation in FY 2023 in the month of Feb - 2023, hence Inventory turnover ratio was very low which has further improved in FY2024 and further improved in current year in which we have considered sales for period of 7 months. Inventory turnover ratio has improved continuously with good management of inventory by company.
f)	Trade Receivables turnover ratio (in times)	1.22	2.14	6.26	N.A	The Company has started operation in FY 2023 in the month of Feb - 2023, there is slow down in trade receivables due to long credit cycle as per normal industrial practice and further its in line in current year as compared to FY2024 as we have considered sales for period of 7 months.
g)	Trade payables turnover ratio (in times)	1.60	3.17	1.24	N.A	The Company has started operation in FY 2023 in the month of Feb - 2023, there is slow down in trade payable due to long credit cycle as per normal industrial practice.
h)	Net capital turnover ratio (in times)	2.51	3.47	1.01	0.00	In the FY 2022 the company was incorporated and there was huge investment on setting up the factory, since FY2023 there has been improvement in revenue to capital employed ratio as company is increasing its output started and promoter had brought funds in the form of Unsecured loans. Post that in FY2023 promoter had further infused capital which had helped to reduce the Debt Equity ration and post that by continuous ploughing back of profit Debt Equity ratio has further improved and will keep on improving in future. In the Year FY 2023, the Net Capital Turnover Ratio is increased significantly since the company has plenty of working capital available to pay off its debts.

i)	Net profit ratio	9.58%	7.97%	6.83%	N.A	The Company has started operation in FY 2023 in the month of Feb - 2023, post that there has been continuous increased as there has been continuous growth in revenue which has resulted into increase in margins of company as other fixed overheads are not increased in that proportion.
j)	Return on Capital employed	21.46%	25.46%	6.71%	-0.05%	Return on Capital Employed is increased in FY2023 and FY2024 due to increased in turnover and profit of the company, there has been slight decrease in current year due to increase in capital employed.
k)	Return on investment	7.31%	9.28%	2.74%	-0.04%	NA

S. No.	Ratios	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	Numerator	Denominator
(a)	Current Ratio	1.28	1.18	0.80	1.13	<b>Current assets:</b> - inventories + trade receivables + cash & cash equipments + short term loans & advances + other current assets	<b>Current liabilities:</b> - short term borrowings + trade payables + other current liabilities + short term provisions
(b)	Debt-Equity Ratio	1.25	1.63	2.27	409.31	<b>Debt:</b> - Total Outside Liabilities	<b>Equity:</b> - equity attributable to equity holders
(c)	Debt Service Coverage Ratio	5.62	5.36	8.53	N.A	<b>Earnings available for debt services :-</b> Earning before interest (attributable to long-term borrowing) and tax	<b>Interest + Principal :-</b> interest expenses on borrowings and principal amount of borrowings due during the current year.
(d)	Return on Equity Ratio	24.14%	27.99%	6.99%	-17.19%	<b>Net Profit after taxes - Preference Dividend (if any) :-</b> Profit/(Loss) for the year attributable to equity holders of the parent	<b>Equity shareholders' fund :-</b> equity attributable to equity holders of the parent. Average Equity shareholders' fund = (Opening equity shareholders' fund + closing equity shareholders' fund) / 2
(e)	Inventory turnover ratio (in times)	4.34	5.80	2.30	N.A	<b>Cost of goods sold:-</b> purchases + manufacturing expenses + changes in inventories of stock-in-trade	Average Inventory
(f)	Trade Receivables turnover ratio (in times)	1.22	2.14	6.26	N.A	Revenue from operations	Average Trade Receivables
(g)	Trade payables turnover ratio (in times)	1.60	3.17	1.24	N.A	<b>Purchase:-</b> Purchases	Average Trade Payables
(h)	Net capital turnover ratio (in times)	2.51	3.47	1.01	0.00	Revenue from operations	Capital employed: - total equity + long term borrowing (including current maturity). Capital employed is worked out based on average i.e. (opening capital employed + closing capital employed) / 2
(i)	Net profit ratio	9.58%	7.97%	6.83%	N.A	Net profit after tax	Revenue from operations
(j)	Return on Capital employed	21.46%	25.46%	6.71%	-0.05%	<b>Earning before interest &amp; taxes (EBIT) :-</b> Profit/(loss) before interest (attributable to long-term borrowing) and tax	<b>Capital Employed:</b> - total equity + long term borrowing (including current maturity). Capital employed is worked out based on average i.e. (opening capital employed + closing capital employed) / 2
(k)	Return on investment	7.31%	9.28%	2.74%	-0.04%	Net profit after tax	Average total assets:- (opening total assets + closing total assets) / 2

## Annexure – 38

## STATEMENT OF CAPITALISATION STATEMENT AS RESTATED

(Amt. in Rs. Lakhs)

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	1,590.05	-
Long Term Debt (B)	1,276.77	--
<b>Total debts (C)</b>	<b>2,866.82</b>	<b>-</b>
<b>Shareholders' funds</b>		
Equity share capital	1,505.81	-
Reserve and surplus - as restated	786.65	--
<b>Total shareholders' funds</b>	<b>2,292.47</b>	<b>-</b>
<b>Long term debt / shareholders' funds</b>	<b>0.56</b>	<b>-</b>
<b>Total debt / shareholders' funds</b>	<b>1.25</b>	

**Notes:**

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.10.2024.
2. Long term debts represent debts other than short term debts as defined above.
3. Short term Debts represents the debts which are expected to be paid / payable within 12 months and also includes instalment of term loans repayable within 12 months.

## Annexure – 15

## STATEMENT OF PROPERTY, PLANT &amp; EQUIPMENT AND DEPRECIATION AS RESTATED

(Amt. in Rs. Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block		
		Balance as at 1 April 2024	Additions	Disposal/Adjustment	Balance as at 31st October 2024	Balance as at 1 April 2024	Amount Charged to Reserves	Depreciation charge for the year	Deductions/Adjustments	Balance as at 31st October 2024	Balance as at 31st October 2024	Balance as at 1 April 2023
<b>a</b>	<b>Tangible Assets</b>											
	Plot	135.65	-	-	135.65	-	-	-	-	-	135.65	135.65
	Air conditioner	4.67	-	-	4.67	1.22	-	0.52	-	1.74	2.93	3.45
	Plant and Machineries	1,926.04	15.61	-	1,941.65	378.91	-	169.32	-	548.23	1,393.42	1,547.13
	Building	751.21	-	-	751.21	75.80	-	37.62	-	113.42	637.79	675.41
	Furniture and Fixtures	29.55	-	-	29.55	6.06	-	3.57	-	9.63	19.92	23.49
	Electric Fitting	74.88	-	-	74.88	21.16	-	8.16	-	29.32	45.56	53.72
	Mobile	0.11	-	-	0.11	0.03	-	0.01	-	0.04	0.07	0.08
	Computers and Accessories	0.21	0.78	-	0.99	0.13	-	0.24	-	0.37	0.62	0.08
	<b>Total</b>	2,922.32	16.39	-	2,938.71	483.31	-	219.44	-	702.75	2,235.96	2,439.01
<b>b</b>	<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-	-
<b>c</b>	<b>Intangible Assets under development</b>	-	-	-	-	-	-	-	-	-	-	-
<b>d</b>	<b>Capital Work in Progress</b>	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	2,922.32	16.39	0.00	2,938.71	483.31	0.00	219.44	0.00	702.75	2,235.96	2,439.01



Sr. No.	Particulars	Gross Block				Accumulated Depreciation				Net Block		
		Balance as at 1 April 2023	Additions	Disposal/Adjustment	Balance as at 31 March 2024	Balance as at 1 April 2023	Amount Charge d to Reserves	Depreciation on charge for the year	Deductions/Adjustments	Balance as at 31 March 2024	Balance as at 31 March 2024	Balance as at 31 March 2023
<b>a</b>	<b>Tangible Assets</b>											
	Plot	135.65	-	-	135.65	-	-	-	-	-	135.65	135.65
	Air conditioner	3.54	1.13	-	4.67	0.11	-	1.11	-	1.22	3.45	3.43
	Plant and Machineries	2,009.79	53.85	137.60	1,926.04	44.85	-	337.13	3.07	378.91	1,547.13	1,964.94
	Building	690.69	60.52	-	751.21	8.09	-	67.71	-	75.80	675.41	682.60
	Furniture and Fixtures	4.58	24.97	-	29.55	0.14	-	5.92	-	6.06	23.49	4.44
	Electric Fitting	74.88	-	-	74.88	2.39	-	18.77	-	21.16	53.72	72.49
	Mobile	-	0.11	-	0.11	-	-	0.03	-	0.03	0.08	-
	Computers and Accessories	0.21	-	-	0.21	0.02	-	0.11	-	0.13	0.08	0.19
	<b>Total</b>	<b>2,919.34</b>	<b>140.58</b>	<b>137.60</b>	<b>2,922.32</b>	<b>55.60</b>	<b>-</b>	<b>430.78</b>	<b>3.07</b>	<b>483.31</b>	<b>2,439.01</b>	<b>2,863.74</b>
<b>b</b>	<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-	-
<b>c</b>	<b>Intangible Assets under development</b>	-	-	-	-	-	-	-	-	-	-	-
<b>d</b>	<b>Capital Work in Progress</b>	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>2,919.34</b>	<b>140.58</b>	<b>137.60</b>	<b>2,922.32</b>	<b>55.60</b>	<b>0.00</b>	<b>430.78</b>	<b>3.07</b>	<b>483.31</b>	<b>2,439.01</b>	<b>2,863.74</b>

Sr. No.	Particulars	Gross Block				Accumulated Depreciation				Net Block		
		Balance as at 1 April 2022	Additions	Disposal/Adjustment	Balance as at 31 March 2023	Balance as at 1 April 2022	Amount Charge d to Reserves	Depreciation on charge for the year	Deductions/Adjustments	Balance as at 31 March 2023	Balance as at 31 March 2023	Balance as at 31 March 2022
<b>a</b>	<b>Tangible Assets</b>											
	Plot	-	135.65	-	135.65	-	-	-	-	-	135.65	-
	Air conditioner	-	3.54	-	3.54	-	-	0.11	-	0.11	3.43	-
	Plant and Machineries	-	2,009.79	-	2,009.79	-	-	44.85	-	44.85	1,964.94	-
	Building	-	690.69	-	690.69	-	-	8.09	-	8.09	682.60	-

	Furniture and Fixtures	-	4.58	-	4.58	-	-	0.14	-	0.14	4.44	-
	Electric Fitting	-	74.88	-	74.88	-	-	2.39	-	2.39	72.49	-
	Mobile	-	-	-	-	-	-	-	-	-	-	-
	Computers and Accessories	-	0.21	-	0.21	-	-	0.02	-	0.02	0.19	-
	<b>Total</b>	-	<b>2,919.34</b>	-	<b>2,919.34</b>	-	-	<b>55.60</b>	-	<b>55.60</b>	<b>2,863.74</b>	-
<b>b</b>	<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-	-
<b>c</b>	<b>Intangible Assets under development</b>	-	-	-	-	-	-	-	-	-	-	-
<b>d</b>	<b>Capital Work in Progress</b>	347.90	-	347.90	-	-	-	-	-	-	-	347.90
	<b>Total</b>	<b>347.90</b>	<b>2,919.34</b>	<b>347.90</b>	<b>2,919.34</b>	<b>0.00</b>	<b>0.00</b>	<b>55.60</b>	<b>0.00</b>	<b>55.60</b>	<b>2,863.74</b>	<b>347.90</b>

Sr No.	Particulars	Gross Block				Accumulated Depreciation					Net Block	
		Balance as at 1 April 2021	Additions	Disposal / Adjustment	Balance as at 31 March 2022	Balance as at 1 April 2021	Amount Charge d to Reserves	Depreciation charge for the year	Deductions/ Adjustments	Balance as at 31 March 2022	Balance as at 31 March 2022	Balance as at 31 March 2021
<b>a</b>	<b>Tangible Assets</b>											
	Plant and Machineries	-	-	-	-	-	-	-	-	-	-	-
	Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-	-
	Vehicles	-	-	-	-	-	-	-	-	-	-	-
	Computers and Accessories	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-
<b>b</b>	<b>Intangible Assets</b>											
	Software	-	-	-	-	-	-	-	-	-	-	-
<b>c</b>	<b>Intangible Assets under development</b>	-	-	-	-	-	-	-	-	-	-	-
<b>d</b>	<b>Capital Work in Progress</b>		347.90		347.90	-	-	-	-	-	347.90	
	<b>Total</b>	<b>0.00</b>	<b>347.90</b>	<b>0.00</b>	<b>347.90</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>347.90</b>	<b>0.00</b>

## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the period ended on October 31, 2024 and the year ended on March 31, 2024, March 31, 2023, and March 31, 2022. You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Red Herring Prospectus. You should also read the section entitled “*Risk Factors*” beginning on page no. 20 of this Draft Red Herring 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 Shlokka Dyes Limited, our Company. Unless otherwise indicated, financial information included herein are based on our “*Restated Financial Statements*” for the Period ended on October 31, 2024 and Financial Year 2023-24, 2022-23 and 2021-22 included in this Draft Red Herring Prospectus beginning on page no. 139 of this Draft Red Herring Prospectus.

### **BUSINESS OVERVIEW**

Our Company was originally incorporated on July 09, 2021 as a Private Limited Company as “Shlokka Dyes Private Limited” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Ahmedabad. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on October 08, 2024 our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Shlokka Dyes Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 11, 2024 by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U24299GJ2021PLC124004.

Our Company is engaged in the business of manufacturing of “Reactive Dyes”, a category of Synthetic Organic Dyes extensively utilized in the textile industry. We pride ourselves on offering a diverse portfolio of dyes, including Direct Dyes, Basic Dyes, Vat Dyes, Digital Printing Dyes, and Paper Dyes etc., catering to wide range of industries such as textiles, leather, paper, and paints. Our Reactive Dyes are available in primary colors such as black, blue, red, orange, and yellow, along with numerous variants of these shades, each identified by an internationally recognized Color Index Number. These dyes are suitable for a broad spectrum of textile applications, including cotton fabrics, garments, dress materials, bed sheets, and carpets. With their versatile applications and superior quality, our dyes provide reliable solutions to meet the diverse needs of our clients across various industries.

Our manufacturing facility, situated in the state of Gujarat, holds ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management) and ISO 45001:2018 (Occupational Health & Safety) certification in the manufacturing of Dyes and Intermediates. Our manufacturing facility situated at C/54, GIDC, Saykha, Dist. Bharuch – 392140 which is admeasuring land spread across approximately 5000 sq. meter. together with construction of factory shed/building of about 5731.81 sq. metre. It boasts a robust installed capacity of 9000 MT per annum, enabling us to meet diverse client demands effectively. Further, Our Manufacturing Facilities are equipped with requisite machineries and in-house testing Laboratory to keep a constant check on quality of our product.

For more details, please refer chapter titled “Business Overview” on page no. 92 of this Draft Red Herring Prospectus.

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

After the date of last financial period i.e., October 31, 2024 there is no any significant development occurred in the Company.

### **KEY FACTORS AFFECTING THE RESULTS OF OPERATION:**

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

1. Changes in Laws and Regulations that apply to our Industry.
2. Changes in Fiscal, Economic or Political conditions in India
3. Failure to adapt the changing technology in our industry of operation may adversely affect our business
4. Failure to comply with regulations prescribed by authorities of the jurisdiction in which we operate
5. Competition with existing and new entrants.
6. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations.
7. Our ability to retain our key managements persons and other employees;
8. Company's ability to successfully implement its growth strategy and expansion plans;
9. Failure to comply with the quality standards and requirements of our customers
10. Our inability to get the raw material at competitive price and transfer the upward revision in the price of raw material to the customers.
11. Exchange rate Fluctuation may affect the cost of Raw Material.

## 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 no.146 of the Draft Red Herring Prospectus.

### Financial performance of the stub period for the period ended on October 31, 2024

(₹ in lakhs)

<b>Income from continuing operations</b>	<b>Amount</b>	<b>%</b>
Revenue from operations	5745.54	99.83
Other Income	9.60	0.17
<b>Total Revenue</b>	<b>5755.14</b>	<b>100.00</b>
<b>Expenses</b>		
Cost of Purchase	4613.15	80.29
Employee benefits expense	46.45	0.81
Finance Costs	165.74	2.88
Other expenses	38.56	0.67
Depreciation and amortisation expenses	221.24	3.85
<b>Total Expenses</b>	<b>5085.14</b>	<b>88.36</b>
<b>Restated profit before tax from continuing operations</b>	<b>670.00</b>	
Total tax expense	123.76	
<b>Restated profit after tax from continuing operations</b>	<b>546.24</b>	<b>9.49</b>
EBDITA	1056.98	18.37

### Standalone Financial Performance

#### Total Income from Operations

Our Company is engaged in the business of manufacturing of "Reactive Dyes", a category of Synthetic Organic Dyes extensively utilized in the textile industry. These dyes are developed through a chemical synthesis process and are directly supplied to various clients, including textile processors, and wholesalers. The total revenue for the stub period was ₹5755.14 lacs out of which ₹5582.92 lacs Revenue from Manufacturing operations and ₹162.62 lacs Revenue from Trading operations. It represents 97% of the total revenue, reaffirming the company's strong focus and positioning in the manufacturing segment.

#### Other Income:

The Other Income for the stub period stood at ₹9.60 lakhs, constituting 0.17% of the Total Income. This includes non-operating income such as Interest Income, Rent Income, Foreign Exchange Fluctuation Gains, and Duty Drawback. While the contribution is relatively small in terms of quantum, this income segment plays a supportive role in enhancing the Company's overall financial strength and liquidity position.

#### Total Expenditure

The total expenditure for the stub period ended on September 30, 2024, amounted to ₹5,085.14 lakhs, representing 88.36% of the total revenue for the period. The primary component of this expenditure was the Cost of Purchase, which stood at ₹4,613.15 lakhs, accounting for 80.29% of the total revenue. This reflects the substantial investment in raw materials or traded goods required to support the Company's manufacturing and trading operations. Additionally, Employee Benefit Expenses amounted to ₹46.45 lakhs (0.81%), indicating a lean operational workforce structure. Finance Costs totaled ₹165.74 lakhs (2.88%), reflecting interest and other borrowing-related charges incurred during the period. Furthermore, Depreciation and Amortization Expenses stood at ₹221.24 lakhs (3.85%), representing the systematic allocation of the cost of tangible and intangible assets over their useful lives. Overall, the expenditure structure demonstrates a cost-intensive model with a strong focus on procurement, supported by efficient employee and asset management.

## EBDITA

The EBITDA (Earnings Before Depreciation, Interest, Taxes, and Amortization) for the stub period stood at ₹1,056.98 lakhs, accounting for 18.37% of the total revenue. This reflects the Company's strong operational performance and efficient cost management before accounting for non-cash expenses, financing costs, and taxes. A healthy EBITDA margin indicates the Company's ability to generate robust earnings from its core business operations, particularly in the manufacturing of Reactive Dyes. It also serves as a key indicator of the Company's operational profitability, cash flow generation capacity, and financial sustainability, positioning it well for future growth and expansion.

## Profit after Tax

Profit after Tax for the stub period was ₹546.24 lacs which was 9.49% of the revenue from operations. This indicates that the Company was able to retain a significant portion of its operating income as net profit after accounting for all expenses, including finance costs, depreciation, and taxes.

## RESULTS OF KEY OPERATIONS

(₹ in lakhs)

Particulars	For the year ended on		
	31.03.2024	31.03.2023	31.03.2022
<b>Income from continuing operations</b>			
Revenue from operations	6,127.53	876.80	-
<b>Total Revenue</b>	<b>6,127.53</b>	<b>876.80</b>	<b>-</b>
<b>% of growth</b>	598.85	-	-
Other Income	41.32	2.84	-
% total Revenue	0.67	0.32	-
<b>Total Revenue</b>	<b>6,168.85</b>	<b>879.64</b>	<b>-</b>
<b>% Increase/(Decrease)</b>	601.29	-	-
<b>Expenses</b>			
Cost of Purchase	4809.16	713.66	0.00
<b>% of Revenue from operations</b>	78.48	81.39	-
Employee benefits expense	17.25	4.12	0.00
<b>% Increase/(Decrease)</b>	318.69	-	-
Finance Costs	242.18	18.84	0.01
<b>% Increase/(Decrease)</b>	1,185.46	-	-
Other expenses	61.54	1.32	0.10
<b>% Increase/(Decrease)</b>	4,562.12	-	-
Depreciation and amortisation expenses	433.86	58.68	0.00
<b>% Increase/(Decrease)</b>	639.37	-	-
<b>Total Expenses</b>	<b>5,563.99</b>	<b>796.62</b>	<b>0.11</b>
% to total revenue	90.19	90.56	-
<b>EBDITA</b>	<b>1,280.90</b>	<b>160.54</b>	<b>(0.10)</b>
<b>% to total revenue</b>	20.76	18.25	-
<b>Restated profit before tax from continuing operations</b>	604.86	83.02	(0.11)
<b>Exceptional Item</b>			
Total tax expense	153.39	(22.97)	0.00
<b>Restated profit after tax from continuing operations (A)</b>	451.47	105.99	(0.11)

% to total revenue	7.32	12.05	-
% Increase/(Decrease)	(39.26)	-	-

### **COMPARISON OF F.Y. 2023-24 WITH F.Y. 2022-23:**

#### **Income from Operations**

In the Financial Year 2023-24, the Company recorded a significant increase in its total revenue from operations, reaching ₹6,168.85 lakhs, which marks a substantial growth of 601.29% compared to ₹879.64 lakhs in FY 2022-23. This notable rise in revenue was primarily driven by a surge in overall business activity. During FY 2023-24, the revenue comprised manufacturing turnover of ₹5,582.92 lakhs, trading turnover of ₹162.62 lakhs, and other operating income of ₹41.32 lakhs. In contrast, the previous financial year, FY 2022-23, had reflected a manufacturing turnover of ₹598.45 lakhs, trading turnover of ₹142.95 lakhs, and other operating income of ₹2.84 lakhs. The substantial increase across all revenue streams, particularly in manufacturing, indicates the Company's enhanced operational capacity and improved market presence during the year.

#### **Other Income**

In the Financial Year 2023-24, the Company reported other income of ₹41.32 lakhs, showing a significant increase compared to ₹2.84 lakhs in FY 2022-23. This category of income primarily comprises interest earnings and other miscellaneous receipts. The sharp rise in other income reflects improved cash flow management and utilization of surplus funds, as well as a possible increase in non-operational activities contributing to the overall financial performance of the Company during the year.

#### **Expenditure:**

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

In the Financial Year 2023-24, the Company incurred a cost of ₹4,809.16 lakhs towards material consumption, reflecting a substantial increase from ₹713.66 lakhs in FY 2022-23. Despite the significant rise in absolute terms, the cost of material consumed as a percentage of total revenue from operations decreased to 78.48% in FY 2023-24, compared to 81.39% in the previous year. This indicates an improvement in cost efficiency and better utilization of raw materials relative to revenue, suggesting enhanced operational effectiveness and possibly improved procurement strategies or economies of scale achieved during the year.

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

In the Financial Year 2023-24, the Company's employee expenses stood at ₹17.25 lakhs, marking a significant increase of 318.69% compared to ₹4.12 lakhs in FY 2022-23. This rise in employee costs was primarily due to an increase in the workforce to support the growing scale of operations, along with the impact of annual salary increments. The expansion in business activities necessitated a larger team, contributing to the higher employee expenditure during the year.

##### **Finance Cost:**

In the Financial Year 2023-24, the Company's finance cost increased substantially to ₹242.18 lakhs from ₹18.84 lakhs in FY 2022-23, reflecting a sharp rise of 1185.46%. This significant increase was primarily due to a rise in overall borrowings to support the Company's expanding operations and working capital requirements. As of March 31, 2024, the total outstanding borrowings stood at ₹2,879.07 lakhs, compared to ₹1,978.72 lakhs as of March 31, 2023. The increase in debt levels directly contributed to the higher interest expenses incurred during the year.

##### **Other Expenses**

In the Financial Year 2023-24, the Company reported other expenses of ₹61.54 lakhs, a significant increase from ₹1.32 lakhs in FY 2022-23, representing a sharp rise of 4562.12%. This escalation in other expenses was primarily driven by a substantial growth in business activity, which increased by 601.29% during the year. As a result, there was a corresponding rise in operational and promotional expenditures, including higher spending on exhibition participation, GIDC-related expenses, and other business development activities. These costs were essential to support and sustain the expanded scale of operations and market presence.

##### **Depreciation and Amortisation Expenses:**

In the Financial Year 2023-24, the Company recorded a depreciation expense of ₹433.86 lakhs, marking a substantial increase of 639.37% compared to ₹58.68 lakhs in FY 2022-23. This significant rise was primarily due to the fact that depreciation for FY 2023-24 was charged for the entire year, whereas in FY 2022-23, depreciation was calculated only for a part of the year despite an increase in fixed assets by ₹2,919.34 lakhs. As a result, the full-year impact of the enhanced asset base was reflected in the depreciation expense for FY 2023-24.

## **EBIDTA**

In the Financial Year 2023-24, the Company reported an EBIDTA of ₹1,280.90 lakhs, a significant rise from ₹160.54 lakhs in FY 2022-23. The EBIDTA margin also improved to 20.76% of total revenue in FY 2023-24, compared to 18.20% in the previous year. This improvement was primarily driven by a substantial increase of 601.29% in business operations during the year. Additionally, higher capacity utilization in FY 2023-24 as compared to FY 2022-23 further contributed to the increase in EBIDTA, reflecting better operational efficiency and cost absorption.

## **Profit after Tax (PAT)**

In the Financial Year 2023-24, the Company achieved a Profit After Tax (PAT) of ₹451.47 lakhs, an increase from ₹105.99 lakhs in FY 2022-23. However, the PAT margin declined to 7.32% of total revenue in FY 2023-24, compared to 12.05% in the previous year. This reduction in PAT margin, despite a substantial 601.29% growth in business, was primarily due to increased employee benefit expenses, higher finance costs driven by increased borrowings, greater depreciation due to the full-year impact of asset additions, and a rise in other operating expenses. These factors collectively impacted the profitability ratio for the year.

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

The Company had started the production in the FY 2022-23 and no activity was started in the FY 2021-22. Hence no comparison was given.

## **CASH FLOW**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Net cash from Operating Activities	217.41	(1051.91)	166.28	(10.34)
Net cash flow from Investing Activities	(16.39)	(2.98)	(2571.44)	(347.90)
Net Cash Flow Financing Activities	(203.24)	1058.48	2405.61	365.28

### **Cash flow October 31, 2024**

The Company has Positive Cash flow from operating on account of net increase of operating profit which is more than the negative working capital. The company had invested in the fixed assets resulting into negative cash flow from investing activities. The Company had made repayment of the Long-term borrowings and spent on Pre-IPO expenditure and interest resulting in the negative cash flow from financing activities.

### **Cash flow March 31, 2024**

The Company has Negative Cash flow from operating on account of Increase of inventory, Increase of Trade Receivables more than the profit earned by the Company. The Company had invested in the fixed assets resulting into negative cash flow from investing activities. The Company had enhanced the long-term borrowings, short term borrowings and raised the funds through issue of share capital resulting in to Positive cash flow from financing activities.

### **Cash flow March 31, 2023**

The Company has Positive Cash flow from operating profit and the increase in current assets is funded through increase of current liabilities resulting in to Positive Net Working Capital. The Company had invested in the fixed assets resulting into negative cash flow from investing activities. The Company had enhanced the long-term borrowings, short term borrowings and raised the funds through issue of share capital resulting in to Positive cash flow from financing activities.

## Cash flow March 31, 2022

The Company has Negative Cash flow from operating on account of increase of short term loans and advances which is less than the funded through the other current liabilities. and net change in working capital. The Company had invested in the fixed assets resulting into negative cash flow from investing activities. The Company had borrowed long term funds for financing the purchase of fixed assets.

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

#### 1. Unusual or infrequent events or transactions

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

#### 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 no. 20 of this Draft Red Herring Prospectus. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

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

Income and sales of our Company on account of major activities derives from manufacturing of "Reactive Dyes", a category of Synthetic Organic Dyes extensively utilized in the textile industry.

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

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

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

Apart from the risks as disclosed under Section titled "*Risk Factors*" beginning on page no. 20 in this Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

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

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

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

The Company is in the business of manufacturing, the relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page no. 85 of this Draft Red Herring Prospectus.

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

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

#### 9. The extent to which business is seasonal.

Our business is not seasonal.

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

Our top 10 buyers and suppliers constitute majority of our business which is reproduce in Chapter title "**Business Overview**" on page no. 92 of Draft Red Herring Prospectus.



(₹ in lakhs)

Particulars	Purchases/Sales							
	Period ended October 31, 2024	%	2023-24	%	2022-23	%	2021-22	%
Top 10 Buyers	5745.54	100.00	6116.61	99.82	876.80	100.00	-	-
Top 10 Suppliers	3875.15	81.08	3099.14	62.08	919.31	85.40	-	-

The Company is selling goods to equinox Impex, proprietary concern and the details of the same is as below.

(₹ in lakhs)

Particulars	Period ended October 31, 2024	2023-24	2022-23	2021-22
Equinox Impex	2674.89	4039.96	849.69	Nil
Total Revenue	5745.54	6127.53	876.80	
% of the Revenue	46.55%	65.93%	96.91%	

Equinox Impex is the proprietary concern of the promoter and started in the year 2010. The Proprietary firm had established the name in export market and exporting in major countries like Argentina, Bangladesh, Brazil, Egypt, Indonesia, Lebanon, Malaysia, Mexico, Portugal, Singapore, Spain, Taiwan, Turkey and USA. It has also got the status of the two -star export house. The company had been established in the year 2021-22 and hence the proprietary concern was used to export the goods. The dependency has been reduced year by year once the name of the Company is established in the market. In the near future the proprietorship unit will be merged in the Company. In that direction the part of the machineries of the Proprietary unit have been sold to the Company.

Our production has been started from the Fiscal 2022-23 hence, there is no Revenue in the fiscal 2021-22 i.e. First Financial year.

#### 11. Competitive conditions.

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Business Overview*” beginning on pages no. 85 and 92, respectively of this Draft Red Herring Prospectus.

## FINANCIAL INDEBTEDNESS

### SECURED LOAN

Name of the Lender	Date of Sanction	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on February 28, 2025 (Rs. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate)	Combined Security
State Bank of India  Charge ID: 100599509	September 26, 2023	Cash Credit	1400.00	1386.27	Interest rate at the rate of EBLR (Presently at 9.15% p.a.) + 400 bps, as spread with present effective rate at 13.15 % p.a.	<b>Primary:</b> Hypothecation charge on entire stock of inventory, receivables, bills and other chargeable current assets of the Company both present and future. SBI's exclusive charge on Plant and Machinery created out of bank finance.  <b>Collateral:</b> 1. Equitable Mortgage charge over non-agricultural leasehold land bearing Revenue Survey Nos. 237/p, 217/P, 238/P, 239/P, 240/P scheme known as "Sayakha Industrial Estate" of GIDC is situated in which, Plot No. C-54, Sykha admeasuring about 5000sq. mtrs. And constructed thereon of Mouje: Sayakha, Taluka: Vagrain, District: Bharuch and Sub-district: Vagra, Gujarat in the name of M/s Shlokka Dyes Private Limited.  2. Equitable Mortgage charge over Immovable Property being Private Sub-Plot No. 43, having land area of admeasuring about 979.80 sq. mtrs and together with a constructed residential units (Bungalow) thereon admeasuring about 401.34 or thereabouts (Buildup area thereon also together with proportionate undivided share of land admeasuring about 326.22 sq. mtrs in the scheme known as "Gala Villa Lotus" on non-agricultural land bearing Amalgamated Block No. 78 paiki admeasuring 36241.14 sq. mtrs, Block No. 1102 admeasuring about 1214 sq. mtrs. & Block No. 1103 admeasuring about 12242 sq. mtrs and total area of admeasuring 49697.74 sq. mtrs
		Term Loan	1484.00	1294.27	Interest rate at the rate of EBLR (Presently at 9.15% p.a.) + 400 bps, as spread with present effective rate at 13.15 % p.a.	

						in the name of Shri Vaibhav Pravinchandra Shah.  3. Equitable Mortgage charge over non-Agricultural Land bearing Revenue Survey No.624 (Old Revenue Survey No.570) admeasuring 2805 sq. mtrs. And construction to be made thereon of Mouje Vadsar, Taluka: Kalol, District: Ahmedabad and Sub-District: Kalol in the name of Smt. Shivani Shivilal Rajpurohit.
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**OTHER CONDITION:**

1. Capital infusion of Rs. 4.00 crore to be done upfront.
2. Factory license to be obtained from the appropriate authority.

**PERSONAL GUARANTEE:**

1. Mr. Vaibhav Pravinchandra Shah
2. Ms. Shivani Rajpurohit

**PERIOD OF ADVANCE & REPAYMENT TERMS:**

Working Capital: Repayable on demand. The facility which has been sanctioned/renewed on 25.09.2023 is available for 12 months from that date, subject to review/renewal every 12 months, when it may be cancelled / reduced depending upon the conduct and utilization of the advance, or as per the Bank's Scheme.

Term Loan: Existing term Loan A/c 41127002839 is to be repaid as per the repayment schedule given below:

Due Date	No of Installment	Principal	Total Installment
10-07-2023 to 10-03-2024	9	8,00,000/-	72,00,000/-
10-04-2024 to 10-03-2025	12	13,00,000/-	1,56,00,000/-
10-04-2025 to 10-03-2026	12	15,00,000/-	1,80,00,000/-
10-04-2026 to 10-03-2027	12	17,00,000/-	2,04,00,000/-
10-04-2027 to 10-03-2028	12	19,00,000/-	2,28,00,000/-
10-04-2028 to 10-03-2029	12	25,00,000/-	3,00,00,000/-
10-04-2029 to 10-03-2029	9	40,00,000/-	3,60,00,000/-
	78	<b>Total</b>	<b>15,00,00,000/-</b>

**UNSECURED LOAN**

Sr. No.	Name of Director	Outstanding Amount as on February 28, 2025 (Rs. in Lakhs)	Terms of Repayment	Rate of Interest
1.	Vaibhav Shah	61.21	Repayable on Demand	Nil
2.	Shivani Rajpurohit	23.22	Repayable on Demand	Nil
	<b>Total</b>	<b>84.43</b>		

## Other Financial Information

### STATEMENT OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED

(Amt. in Rs. Lakhs)

Ratios	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Restated PAT as per P& L Account	551.59	491.79	60.05	-0.11
EBIDTA	1,056.98	1,280.90	160.54	-0.10
Weighted Average Number of Equity Shares at the end of the Year/Period (Pre Bonus Issue)	29,06,866	24,273	17,118	10,000
Weighted Average Number of Equity Shares at the end of the Year/Period (Post Bonus Issue)	1,50,58,148	1,50,58,148	1,50,52,498	1,50,41,065
No. of equity shares at the end of the year/period	1,50,58,148	27,083	21,433	10,000
Net Worth	2,285.02	1,756.87	858.63	0.64
Current Asset	6,132.05	4,270.85	1,000.78	152.79
Current Liability	4,805.32	3,612.13	1,256.43	135.76
Basic EPS (pre Bonus)	18.98	2,026.03	350.77	-1.10
Basic EPS (post Bonus)	3.66	3.27	0.40	0.00
<b>Return on Net Worth (%) (Annualised)</b>	24.06%	27.85%	6.89%	-12.36%
<b>Net Asset Value Per Share (Rs)</b>	15.17	6,486.99	4,006.10	6.40
<b>Current Ratio</b>	1.28	1.18	0.80	1.13
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

Notes -

5. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (Rs.) =  $\frac{\text{Restated PAT attributable to Equity/Shareholder}}{\text{Weighted Average Numbers of Equity Shares outstanding during the year}}$

Return on Net Worth (%) =  $\frac{\text{Restated PAT attributable to Equity/Shareholder}}{\text{Net Worth}}$

Net Asset Value per equity share (Rs.) =  $\frac{\text{Net Worth}}{\text{Weighted Average Numbers of Equity Shares outstanding during the year}}$

6. Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor.

7. Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

8. The figures disclosed above are based on the Restated Financial Statements of the Company.

**STATEMENT OF CAPITALISATION STATEMENT AS RESTATED****(Amt. in Rs. Lakhs)**

<b>Particulars</b>	<b>Pre Issue</b>	<b>Post Issue</b>
<b>Borrowings</b>		
Short term debt (A)	1,590.05	-
Long Term Debt (B)	1,276.77	--
<b>Total debts (C)</b>	<b>2,866.82</b>	<b>-</b>
<b>Shareholders' funds</b>		
Equity share capital	1,505.81	-
Reserve and surplus - as restated	786.65	--
<b>Total shareholders' funds</b>	<b>2,292.47</b>	<b>-</b>
<b>Long term debt / shareholders' funds</b>	<b>0.56</b>	<b>-</b>
<b>Total debt / shareholders' funds</b>	<b>1.25</b>	

**Notes:**

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.10.2024.
2. Long term debts represent debts other than short term debts as defined above.
3. Short term Debts represents the debts which are expected to be paid / payable within 12 months and also includes instalment of term loans repayable within 12 month.

## **Section VII – Legal and Other Regulatory Information**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no outstanding, (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) claims related to direct or indirect taxes; or (iv) other pending litigation, as per the Materiality Policy, in each case involving our Company, Promoters, Directors (collectively, the “Relevant Parties”).*

*In accordance with the Materiality Policy, all outstanding litigation involving the Relevant Parties, other than (i) criminal litigation, (ii) tax matters, (iii) statutory and regulatory actions, and (iv) disciplinary actions by SEBI or Stock Exchanges in the last five years against Promoters, would be considered ‘material’, if the monetary amount of claim made by or against the Relevant Party in any such outstanding litigation is in excess of Rs. 27.59 Lakhs as 5% of the average of absolute value of profit or loss after tax as per the last three annual restated financial statements or where the monetary liability is not quantifiable, if the outcome of any such pending litigation may have a bearing on the business, operations, performance, prospects or reputation of our Company (as determined by our Company).*

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board on March 24, 2025:

*A. Any pending litigation / arbitration proceedings (including claims related to direct or indirect taxes) (other than litigations mentioned in points (i) and (ii) above) involving the Relevant Parties, shall be considered “material” for the purposes of disclosure in the Offer Documents, if:*

*(i) The aggregate monetary claim/ dispute amount/ liability involved in any such pending litigation/ arbitration proceeding is equivalent to or exceeds the lower of the following:*

*(a) two percent of turnover, for the most recent financial year as per the Restated Financial Information, being 122.55 lakh; or*

*(b) two percent of net worth, as at the end of the most recent financial year as per the Restated Financial Information, except in case the arithmetic value of the net worth is negative, being 35.14 lakh; or*

*(c) five percent of the average of absolute value of profit or loss after tax, for the last three financial years as per the Restated Financial Information, being 27.59 lakh*

*For the purpose of clause (c) above, it is clarified that the average of absolute value of profit or loss after tax is to be calculated by disregarding the ‘sign’ (positive or negative) that denotes such value.*

*ii) the monetary claim/ dispute amount/ liability in such proceedings, is not quantifiable or does not fulfil the threshold as specified in paragraph A.(i) above, the outcome of such proceedings, nonetheless, directly or indirectly, or together with similar other proceedings, have a material adverse effect on the business, operations, results of operations, prospects, financial position or reputation of our Company.*

*(iii) the decision in such proceeding is likely to affect the decision in similar proceedings, such that the cumulative amount involved in such proceedings is equivalent to or exceeds the threshold as specified in paragraph A.(i) above, even though the amount involved in an individual proceeding may not be equivalent to or exceed the threshold as specified in paragraph A.(i) above.*

#### **For the Directors and Promoters of our Company**

*B. Any pending litigation / arbitration proceedings (other than litigations mentioned in points (i) and (ii) above), involving the Directors and Promoters of our Company shall be considered “material” for the purposes of disclosure in the Offer Documents, if the outcome of such proceedings could have a material adverse effect on the business, operations, results of operations, prospects, financial position or reputation of our Company, irrespective of the amount involved in such litigation. In the event any claims related to direct or indirect taxes involve an amount exceeding the threshold proposed in A.(i) above, in relation to the Directors and Promoters of our Company, individual disclosures of such tax matters have been included in this chapter.*

*As on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings and (ii) actions by statutory and / or regulatory authorities against our Key Managerial Personnel;*

*Further, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by the Board, not be considered as material litigation, until such time that a Relevant Party is impleaded as a defendant in any proceedings before any judicial / arbitral forum, or is notified by any governmental, statutory or regulatory or any judicial authority of any such proceeding that may be commenced.*

*Further in terms of materiality policy, a creditor of our Company, shall be considered to be material creditors, if amounts due to such creditor is equal to, or in excess of ₹5.00 lakhs of the consolidated trade payables of our Company as at the end of the latest financial period included in the Restated Financial Information.*

*All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of date of this Draft Red Herring 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.shlokkadyes.com](http://www.shlokkadyes.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

#### **1. Dispute Between SDPL and EMS**

Intimation Notices (Udhyam-GJ-01-0055688/S/00001 to Udhyam-GJ-01-0055688/S/000039) issued by the Micro and Small Enterprises Facilitation Council (MSEFC), filed by EMS Projects demanding Rs.1,18,96,095 against SDPL & Commercial Civil Suit No. 381 of 2024 before the Civil Court at Ahmedabad – filed by SDPL against EMS Projects

a. The dispute between SDPL and EMS Projects stems from a Purchase Order dated 14.12.2021, issued by SDPL to EMS for the fabrication, installation, and ancillary works related to structural components. As per the terms, SDPL supplied raw materials such as steel and paint, while EMS was responsible for manufacturing components, performing sandblasting and painting, and executing transportation, erection, and installation at SDPL's site. However, significant concerns emerged regarding the quality of EMS's work, including substandard workmanship, overbilling, material undersupply, and excessive wastage. These deficiencies were substantiated during joint inspections conducted between 22.12.2023 and 10.01.2024, with reports confirming multiple issues in the execution of the project. Additionally, invoices from EMS revealed discrepancies suggesting overbilling and material mismanagement, resulting in substantial monetary losses for SDPL.

b. EMS Projects has initiated proceedings under the Micro and Small Enterprises Facilitation Council (MSEFC), with multiple notices (Udhyam-GJ-01-0055688/S/00001 to Udhyam-GJ-01-0055688/S/000039) being issued in connection with its claims. The parallel proceedings have escalated the dispute, involving both litigation for damages and statutory claims under MSEFC, with pre-trial mediation offering a potential avenue for resolution.

- 3) Taxation Matters  
NIL
- 4) Proceedings against Our Company for economic offences/securities laws/ or any other law  
NIL
- 5) Penalties in Last Five Years  
NIL
- 6) Pending Notices against our Company  
NIL
- 7) Past Notices to our Company  
NIL
- 8) Disciplinary Actions taken by SEBI or stock exchanges against Our Company  
NIL
- 9) Defaults including non-payment or statutory dues to banks or financial institutions  
NIL
- 10) Details of material frauds against the Company in last five years and action taken by the Companies.  
NIL

### **B. LITIGATIONS FILED BY OUR COMPANY**

- 1) Criminal Litigations  
NIL
- 2) Civil Proceedings

#### **1. Shlokka Dyes Private Limited (SDPL) Vs Yogi Construction – Arbitration Petition No. 92 of 2024**

## **Dispute between SDPL and Yogi Constructions**

The dispute arises out of a contractual agreement between Shloka Dyes Private Limited (SDPL) and Yogi Constructions for a construction project valued at Rs. 4,28,17,750/-. Under the terms of the agreement, SDPL disbursed Rs. 3,32,81,800/- for the construction work, which Yogi Constructions was required to complete within 12 months, adhering to specified standards. Alleging non-fulfillment of commitments and deficiencies in construction quality, SDPL sought recovery of Rs. 3,28,41,400/- along with interest. Subsequently, SDPL invoked the arbitration clause under the contract but received no constructive response from Yogi Constructions.

SDPL has filed for the invocation of arbitration before the High Court of Gujarat wherein Notice has been duly served upon the other side and proceedings seeking reimbursement of the entire paid amount of Rs. 3,28,41,400/- from Yogi Constructions is ongoing. The next date of hearing is April 25, 2025.

## **2. Shlokka Dyes Private Limited (SDPL) vs EMS Projects – Commercial Civil Suit No. 381 of 2024**

### **Dispute between SDPL and EMS Projects**

The dispute between SDPL and EMS Projects stems from a Purchase Order dated 14.12.2021, issued by SDPL to EMS for the fabrication, installation, and ancillary works related to structural components. As per the terms, SDPL supplied raw materials such as steel and paint, while EMS was responsible for manufacturing components, performing sandblasting and painting, and executing transportation, erection, and installation at SDPL's site. However, significant concerns emerged regarding the quality of EMS's work, including substandard workmanship, overbilling, material undersupply, and excessive wastage. These deficiencies were substantiated during joint inspections conducted between 22.12.2023 and 10.01.2024, with reports confirming multiple issues in the execution of the project. Additionally, invoices from EMS revealed discrepancies suggesting overbilling and material mismanagement, resulting in substantial monetary losses for SDPL.

In response to these issues, SDPL issued a legal notice on 08.06.2024, demanding Rs. 3,31,29,971.00 as compensation for damages incurred. Subsequently, SDPL filed Commercial Civil Suit No. 381 of 2024 before the Civil Court at Ahmedabad to recover the claimed amount, with the case currently at the stage of pre-trial mediation. No date is provided Since registry is yet to give number of the matter.

- 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**

##### **1. State of Gujarat vs Shival Purohit – Criminal Case No. 5851 of 2016**

Dispute between Shival Purohit and Mahamad Safi Mahemudmiya Sheikh:

The litigation arises from a cross-complaint related to an incident involving Mahamad Safi Mahemudmiya Sheikh and Shival Purohit, with allegations under Sections 323, 294(b), and 506(1) of the Indian Penal Code. The incident occurred when Mahamad Safi Mahemudmiya Sheikh, who was reportedly incapacitated and unable to safely ride a two-wheeler, collided with Shival Purohit's vehicle. However, it is important to note that there was no actual vehicular accident; rather, the situation escalated into a confrontation between the two parties, prompting them both to file complaints against each other.

As a result of this escalation, two cross complaints were lodged. **Criminal Case No. 5850 of 2016** was filed by Mahamad Safi Mahemudmiya Sheikh against Shival Purohit, while **Criminal Case No. 5851 of 2016** was initiated by Shival Purohit in response to the circumstances of the encounter. These cases revolve around the allegations stemming from this encounter and are currently under litigation, with each party asserting their version of events. The Next date of hearing is April 11, 2025.

##### **2. State of Kerala vs Vaibhav Shah – Criminal Case No. 191010 of 2024**



#### Dispute between Sheetal Yadav, Vaibhav Shah & Pravinaben Shah

In Criminal Case No. 500131 of 2023 Sheetal Yadav claims to have entered into a marriage with Vaibhav Shah. However, within a brief period of approximately four to five months after the so-called marriage, Vaibhav Shah received/found documents revealing that Sheetal Yadav was already married to another person at the time of their marriage.

In light of this revelation, Vaibhav Shah filed an application under Section 11 of the Hindu Marriage Act, leading to Family Suit No. 155 of 2018. This application seeks a declaration that the marriage between him and Sheetal Yadav is null and void due to her pre-existing marriage.

During the pendency of Family Suit No. 155 of 2018, Sheetal Yadav filed an application under section 24 of the Hindu Marriage Act, seeking maintenance pendente lite, which application got rejected vide order dated 16.11.2018. The said order is thus challenged by Sheetal Yadav before High Court and is pending adjudication.

Following the service of notice for Family Suit No. 155 of 2018 and rejection of her application seeking maintenance pendente lite, Sheetal Yadav filed a false and frivolous complaint under Section 498A against Vaibhav Shah, Pravinaben Shah and his sister in 2019, at Kerala. Notably, this complaint was filed as a counter-blast to the Family Suit and came several years after the alleged events in question, despite her residing in Mumbai.

Since we were agreed, Vaibhav Shah has filed Special Leave Petition No. 9917 of 2024 [Transfer Petition (Crl.) No. 683 of 2024], seeking transfer of this case to Ahmedabad jurisdiction. This SLP was allowed and the matter has been transferred to Ahmedabad. In light of this order *State of Kerala vs Vaibhav Shah – Criminal Case No. 500131 of 2023* is disposed off as transferred.

The new case as transferred and filed in Ahmedabad is as Criminal case No. 191910 of 2024. The next date of hearing is 09/05/2025.

#### 2) Civil Proceedings

##### 1. **Sheetal Yadav vs Vaibhav Shah** – Special Civil Application No. 9917 of 2019

#### Dispute between Sheetal Yadav & Vaibhav Shah

Sheetal Yadav claims to have entered into a marriage with Vaibhav Shah. However, within a brief period of approximately four to five months after the marriage, Vaibhav Shah received/found documents revealing that Sheetal Yadav was already married to another person at the time of their marriage.

In light of this revelation, Vaibhav Shah filed an application under Section 11 of the Hindu Marriage Act, leading to Family Suit No. 155 of 2018. This application seeks a declaration that the marriage between him and Sheetal Yadav is null and void due to her pre-existing marriage.

During the pendency of Family Suit No. 155 of 2018, Sheetal Yadav filed an application under section 24 of the Hindu Marriage Act, seeking *maintenance pendente lite*, which application got rejected vide order dated 16.11.2018. The said order is thus challenged by Sheetal Yadav before High Court and is pending adjudication. The next date of herring is March 27, 2025

##### 2. **Vishwesh Glass Private Limited vs Equinox Impex (Proprietor Mr. Vaibhav Shah)** – Summary Suit No. 3297 of 2016

#### Dispute between Vishwesh Glasses Private Limited and Equinox Impex

Summary Suit No. 3297 of 2016 pertains to a legal dispute initiated by Vishwesh Glasses Private Limited against Equinox Impex, seeking payment of Rs. 50,548.00 for alleged glass work performed. Vishwesh Glasses claims that the work was completed as per the agreed terms and that the payment remains outstanding. However, Equinox Impex has contested the claim, asserting that the work was incomplete and of substandard quality, failing to meet the agreed specifications. This dispute over the quality and completeness of the work performed has formed the crux of the legal proceedings. Next date of herring is April 23, 2025

##### 3. **Vishwesh Glass Private Limited vs Equinox Impex (Proprietor Mr. Vaibhav Shah)** – Execution No. 152 of 2016

#### Dispute between Vishwesh Glasses Private Limited and Equinox Impex

Summary Suit No. 3297 of 2016 pertains to a legal dispute initiated by Vishwesh Glasses Private Limited against Equinox Impex, seeking payment of Rs. 50,548.00 for alleged glass work performed. Vishwesh Glasses claims that the work was completed as per the agreed terms and that the payment remains outstanding. However, Equinox Impex has contested the claim, asserting that the work was incomplete and of substandard quality, failing to meet the agreed specifications. This dispute over the quality and completeness of the work performed has formed the crux of the legal proceedings. Next Date of hearing March 28, 2025

In the interim, execution proceedings initiated by Vishwesh Glasses Private Limited for recovery of Rs. 40,548.00 were stayed by the District Court vide its order dated 13.01.2017 in CMA No. 140 of 2016. This stay has rightly halted recovery efforts, with the matter awaiting further adjudication to resolve the disputes over both the claim amount and the alleged deficiencies in the work performed by Vishwesh Glasses.

#### **4. National Insurance Company vs Equinox Impex (Proprietor Mr. Vaibhav Shah) - First Appeal No. 744 of 2022**

Dispute between Equinox Impex and National Insurance Company regarding Standard Fire & Special Perils Policy Equinox Impex had obtained a Standard Fire & Special Perils Insurance Policy bearing No. 301800/11/14/3100000039 from National Insurance Company for the period of 04.04.2014 to midnight of 03.04.2015. This policy was intended to cover the risks associated with the building, plant & machinery, and stock loss due to flood or inundation at the insured premises in Ahmedabad.

Claim: During the insured period, a flood/inundation occurred, resulting in substantial stock loss. Equinox Impex filed a claim with National Insurance Company for Rs. 94,16,987 towards the loss of stocks under the policy.

State Consumer Commission Order: Upon lodging a consumer complaint, the Ld. State Consumer Commission, by an order dated 22.07.2022, partly allowed the complaint. The Commission directed National Insurance Company to pay Equinox Impex an amount of Rs. 15,18,000 with interest at the rate of 7% per annum from the date of filing of the complaint. Additionally, the order specified that if the payment was not made within 60 days, the interest rate would increase to 9% per annum.

Appeals: Both parties have filed appeals against the order of the State Consumer Commission:

1. First Appeal No. 744 of 2022 – National Insurance Company has filed an appeal before the National Consumer Commission, challenging the amount awarded by the State Commission.

The matter is now pending before the National Consumer Commission, where both parties are contesting the State Commission's decision. National Insurance Company disputes the Rs. 15,18,000 awards, while Equinox Impex is seeking an increased pay-out to cover the full claimed amount of Rs. 94,16,987. Next date of hearing is May 22, 2025

#### 3) Taxation Matters

#### 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 willful defaulters of RBI

NIL

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

#### 1) Criminal Litigations

#### **1. Criminal Case No. 32428 of 2019**

Dispute between Equinox Impex through Vaibhav Shah and Shri Balaji Tex Feb & Others

Equinox Impex, represented by its proprietor Vaibhav Shah, has initiated three criminal cases under the Negotiable Instruments Act against Shri Balaji Tex Feb and associated parties for the dishonor of nine cheques amounting to a total of Rs. 90,00,000/- (Rupees Ninety Lakh Only). The cases, namely Criminal Case No. 32428 of 2019, Criminal Case No. 32423 of 2019, and Criminal Case No. 32294 of 2019, were filed after the cheques issued as payment for goods or services provided by Equinox Impex were dishonored upon

presentation. These disputes highlight alleged financial negligence by Shri Balaji Tex Feb and others, prompting Equinox Impex to seek legal remedies to recover the outstanding amounts.

All three matters are currently under adjudication before the competent criminal courts. The proceedings involve scrutiny of evidence related to the issuance and dishonor of the cheques, the intent behind the transactions, and any defences raised by Shri Balaji Tex Feb and the co-respondents. The next date of herring is April 16, 2025.

## **2. Equinox Impex vs. Heena Import - Criminal Case No. 146077 of 2021**

The case revolves around a criminal complaint filed by Equinox Impex against Heena Import under the Negotiable Instruments Act, 1881, for the dishonour of cheques amounting to Rs. 13,77,680/- (Thirteen Lakh Seventy-Seven Thousand Six Hundred and Eighty Only). The dispute originates from a business transaction where Heena Import purchased goods of the said value from Equinox Impex. Despite receiving the goods in full and raising no objections regarding their quality, Heena Import failed to make payment as promised. Instead, they issued cheques, which were subsequently dishonoured upon presentation, citing insufficient funds or other technical reasons. This breach of financial obligations has compelled Equinox Impex to initiate legal proceedings.

In response to the dishonoured cheques, Equinox Impex filed a criminal complaint under the Negotiable Instruments Act. The complaint seeks not only to recover the outstanding amount of Rs. 13,77,680/- but also to impose penalties and claim interest as provided under the Act. The next date of herring is May 28, 2025.

## **2) Civil Proceedings**

### **1. Regular Civil Suit No. 195 of 2010 - Shivalal Purohit and Narayan Purohit:**

Regular Civil Suit No. 195 of 2010, titled Shivalal Purohit vs. Narayan Purohit, pertains to a dispute between brothers over their respective shares in ancestral family property. The plaintiff, Shivalal Purohit, asserts his entitlement to a specific portion of the ancestral property, alleging that it has not been appropriately allocated to him. The suit seeks a declaration of his rightful share, relying on principles of inheritance and property rights under the applicable civil laws. Shivalal contends that his claim is based on his legitimate right as an heir to the ancestral estate.

The matter is currently pending adjudication before the Civil Court at Kalol. The resolution of the case hinges on the court's determination of the legal and factual aspects of the claim, including the identification of the ancestral property and the proper allocation of shares among the heirs. Both parties are engaged in legal proceedings to establish their respective claims, and the dispute remains unresolved as of now. The next date of herring April 19, 2025.

### **2. Vaibhav Shah vs. Sheetal Yadav – Family Suit No. 155 of 2018**

Dispute between Sheetal Yadav & Vaibhav Shah

Sheetal Yadav claims to have entered into a marriage with Vaibhav Shah. However, within a brief period of approximately four to five months after the marriage, Vaibhav Shah received/found documents revealing that Sheetal Yadav was already married to another person at the time of their marriage.

In light of this revelation, Vaibhav Shah filed an application under Section 11 of the Hindu Marriage Act, leading to Family Suit No. 155 of 2018. This application seeks a declaration that the marriage between him and Sheetal Yadav is null and void due to her pre-existing marriage. Next date of hearing is April 05, 2025.

### **3. Equinox Impex (Proprietor Mr. Vaibhav Shah) versus TNT India Private Limited and Bank of Baroda- Consumer Case No. 140 of 2015**

In Consumer Case No. 140 of 2015, Equinox Impex has initiated legal proceedings seeking damages for an amount of USD 84,000/- (Rs. 55,58, 279) and commercial interest thereupon against TNT India Private Limited and Bank of Baroda. The complaint arises from the loss of a parcel containing critical documents that authorized the release of goods. These documents were entrusted to TNT India for delivery but were admitted lost during transit.

As a consequence of the lost documents, high-value goods belonging to Equinox Impex were wrongfully released by an unknown third party. This unauthorized release caused significant financial loss to Equinox

Impex. The consumer complaint seeks to hold TNT India Private Limited and Bank of Baroda accountable for the loss of the parcel and the subsequent damages resulting from the unauthorized release of goods. The next date of hearing. The next date of hearing is March 03, 2025. New date is not allotted.

**4. Equinox Impex (Proprietor Mr. Vaibhav Shah) vs. National Insurance Company - First Appeal No. 198 of 2023**

Dispute between Equinox Impex and National Insurance Company regarding Standard Fire & Special Perils Policy

Equinox Impex had obtained a Standard Fire & Special Perils Insurance Policy bearing No. 301800/11/14/3100000039 from National Insurance Company for the period of 04.04.2014 to midnight of 03.04.2015. This policy was intended to cover the risks associated with the building, plant & machinery, and stock loss due to flood or inundation at the insured premises in Ahmedabad.

Claim: During the insured period, a flood/inundation occurred, resulting in substantial stock loss. Equinox Impex filed a claim with National Insurance Company for Rs. 94,16,987 towards the loss of stocks under the policy.

State Consumer Commission Order: Upon lodging a consumer complaint, the Ld. State Consumer Commission, by an order dated 22.07.2022, partly allowed the complaint. The Commission directed National Insurance Company to pay Equinox Impex an amount of Rs. 15,18,000 with interest at the rate of 7% per annum from the date of filing of the complaint. Additionally, the order specified that if the payment was not made within 60 days, the interest rate would increase to 9% per annum.

Appeals: Both parties have filed appeals against the order of the State Consumer Commission:

2. First Appeal No. 198 of 2023 – Equinox Impex has also filed an appeal seeking an enhancement of the awarded amount.

The matter is now pending before the National Consumer Commission, where both parties are contesting the State Commission's decision. National Insurance Company disputes the Rs. 15,18,000 awards, while Equinox Impex is seeking an increased pay-out to cover the full claimed amount of Rs. 94,16,987. The next date of hearing is May 22, 2025

- 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 – Litigation involving our Key Managerial Personnel (Other than Directors and Promoters)**

##### **A. Litigation filed against our Key Managerial Personnel (Other than Directors and Promoters)**

- 1) Criminal Litigations  
NIL
- 2) Outstanding actions by regulatory and statutory authorities  
NIL

##### **B. Litigation filed by our Key Managerial Personnel (Other than Directors and Promoters)**

- 1) Criminal Litigations  
NIL
- 2) Outstanding actions regulatory and statutory authorities  
NIL

#### **PART V - LITIGATIONS INVOLVING SUBSIDIARY COMPANY:**

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

#### **PART VI –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 no. 171 of this Draft Red herring 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 October 31, 2024, our Company had 37 creditors, to whom a total amount of ₹2925.64 lakhs were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated March 24, 2025, 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.	20.65
2.	Amount due to Material Creditors of MSME	2305.94
	Amount due to Other Creditors	0.37
3.	Amount due to Material Creditors of Other	598.68
	<b>Total</b>	<b>2925.64</b>

Information provided on the website of our Company is not a part of this Draft Red herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website: [www.shlokkadyes.com](http://www.shlokkadyes.com) would be doing so at their own risk.

#### **WILFUL DEFAULTER**

Our Promoters and Directors have not been identified as a willful defaulter in terms of the SEBI ICDR Regulations as on the date of this Draft Red herring 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 Red Herring 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 Industrial Regulations and Policies*" on page no. 112 of this Draft Red Herring 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 November 11, 2024, authorized 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 November 14, 2024, passed in the EGM respectively under Section 62(1)(c) of the Companies Act, 2013 authorised the Issue.

#### In-principal approval from the Stock Exchange

3. The Company has obtained in-principal listing approval from the SME Platform of the BSE dated [●].

#### Agreements with CDSL and NSDL

4. The Company has entered into an agreement dated January 14, 2025 with the Central Depository Services (India) Limited (CDSL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated December 20, 2024 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 INE1EUB01016.

### (B) Registration under the Companies Act, 1956/2013:

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature of Approvals	Validity
1.	Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs.	U24299GJ2021PTC124004 vide Certificate of Incorporation dated July 09, 2021.	Companies Act, 2013	Certificate of Incorporation	Valid, till Cancelled
2.	Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs.	U24299GJ2021PLC124004 vide Certificate of Incorporation dated November 11, 2024.	Companies Act, 2013	Certificate of Incorporation	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)	ABGCS4098A	Income Tax Act, 1961	Permanent Account Number	Valid, till Cancelled
2.	Income Tax Department - (TAN)	AHMS41011F	Income Tax Act, 1961	Tax Deduction Account Number	Valid, till Cancelled
3.	Gujarat Goods and Services Tax Act, 2017	24ABGCS4098A1ZG	Goods and Services Tax Act, 2017	Goods and Services Tax Number	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.	Taluka Panchayat Office, Vagra, Dist.: Bharuch#	2400300340126	Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976.	Profession Tax department – EC (Enrollment Certificate)	Valid, till cancelled
2.	Taluka Panchayat Office, Vagra, Dist.: Bharuch#	2400300340125	Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976.	Profession Tax department – RC (Registration Certificate)	Valid, till cancelled
3.	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-GJ-01-0085774	Entrepreneurs Memorandum for Setting up Micro, Small or Medium enterprise.	Udyog Registration Certificate	Valid, till cancelled
4.	Director General of Foreign Trade, Ahmedabad	ABGCS4098A	Import-Export Rules and Regulation	Import –Export Permission	Valid, till cancelled
5.	Employees Provident Fund Organisation*	GJNRD2413377000	Employees Provident Fund And Miscellaneous Provisions Act, 1952	Employee Provident Fund Code	Valid, till Cancelled
6.	Employees State Insurance Corporation*	37001249260000306	Employees State Insurance Act, 1948	Registration with ESI Authority	Valid, till cancelled
7.	Joint Director, Industrial Safety and Health, Ahmedabad Region*.	License No.: 52307 Registration No.: 2091/20114/2023	Factories Act, 1948	License to work a factory	Valid up till, 31/12/2025
8.	Regional Officer, Gujarat Pollution Control Board	Consolidated Consent and Authorization - CCA No.: AWH-128084	The Water (Prevention & Control of Pollution) Act – 1974, The Air (Prevention & Control of Pollution) Act – 1981, Hazardous & Other Waste (Management and Transboundary Movement) Rule - 2016	Consent to Operate Industrial Plant to manufacture 800+50+16+16 MT/Month	Valid up to May 18, 2028

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature of Approvals	Validity
9.	BEIL Infrastructure Ltd. (Formerly known as Bharuch Enviro Infrastructure Limited.)#	Provisional Membership Certificate for Common Solid Waste Disposal facility. Membership No.: OTH/1163	-	Approval for disposal of 25MT/Year solid waste subject valid authorization of GPCB.	-
10.	Zonal Director, Narcotics Control Bureau, Ahmedabad*	Unique Registration No.: AHCN0101352	The Narcotic Drugs and psychotropic Substances Act,1985 (61 of 1985)	Consumption, possession, Purchase and store of Acetic anhydride	-
11.	United Registrar of System#	ISO-9001-2015 Quality Management System	-	Certificate of Registration	Valid up till, 04/12/2026
12.	United Registrar of System#	ISO-14001-2015 Environmental Management System	-	Certificate of Registration	Valid up till, 03/12/2026
13.	United Registrar of System#	ISO-45001-2018 Occupational Health & Safety Management System	-	Certificate of Registration	Valid up till, 13/12/2026
14.	Ministry of environment, Forest and Climate Change	EC24C2402GJ5130953T	EIA Notification, 2006	Certificate of Environment Clearance	-

Note:-

\*These Licenses/Registrations/approvals are in the name of Pvt. Ltd. i.e. Shlokka Dyes Private Limited and the Company has made application to relevant authority for conversion into Public limited I.e. Shlokka Dyes Limited.

#These Licenses/Registrations/approvals are in the name of Pvt. Ltd. i.e. Shlokka Dyes Private Limited and the Company has yet to made application to relevant authority for conversion into Public limited I.e. Shlokka Dyes Limited.

**(E) Approvals applied but not yet received:**

Sr. No.	Description	Brand Name/ Logo Trademark	Authority	Date of Application	Current Status:
1.	Registration Of Logo and Trademark under Class -2#		The Registrar of Trade Marks, under The Trade Marks Act, 1999	October 09,2024 Appl. No: 6661340	Formalities Check Pass

**(F)THE DETAILS OF DOMAIN REGISTERED BY OUR COMPANY ARE: -**

Sr. No.	Domain Name and ID	Registrant Name	Creation Date	Registry Expiry Date
1	<b>Domain Name</b> - shlokkadyes.com <b>Domain ID</b> -2675752917_DOMAIN_COM-VRSN	GoDaddy.com, LLC	February 17, 2022	February 17, 2028

**(G) KEY APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED FOR BY OUR COMPANY**

There are no such key approvals required but not obtained or applied for as on the date of this Draft Red Herring Prospectus.



## **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 March 24, 2025 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if any such company is an *Associate Company* of our Company or our Company is an *Associate Company* of such Company.

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

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE OFFER**

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on November 11, 2024, 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 November 14, 2024.

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

### **PROHIBITION BY SEBI**

Our Company, Promoters, Promoter Group, Directors, person(s) in control of the promoter or issuer 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 Red Herring Prospectus.

### **CONFIRMATION**

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

### **DECLARATION AS WILFUL DEFAULTERS & FUGITIVE ECONOMIC OFFENDER**

Neither our Company, our Promoters, our directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a willful defaulter or a fugitive economic offender by the RBI or other government authorities. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “Outstanding Litigations and Material Development” beginning on page no. 182 of this Draft Red Herring Prospectus.

### **ELIGIBILITY FOR THE ISSUE**

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

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

### **We confirm that:**

1. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, the book running lead manager shall ensure that the issuer shall file copy of the draft Red Herring Prospectus/prospectus with SEBI along with Due Diligence certificate including additional confirmations as required at the time of filing the Draft Red Herring Prospectus/Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this issue has been hundred percent underwritten and that the Book Running 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. 44 of this Draft Red Herring 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 Two hundred, 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 Book Running 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. 44 of this Draft Red Herring Prospectus.
5. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.
6. There are no other agreements/ arrangements and clauses / covenants in the agreements entered into by our Company, which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Draft Red Herring Prospectus.
7. There are no findings/observations of any of the inspections by SEBI or any other regulators which are material, and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision.
8. There are no material clauses of our Articles of Association that have been left out from disclosures having bearing on the Issue or this Draft Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated July 24, 2024 and National Securities Depository Limited (NSDL) dated July 01, 2024 for establishing connectivity.
2. Our Company has a website i.e. [www.shlokkadyes.com](http://www.shlokkadyes.com)

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

**1. The issuer should be a Company incorporated Under Companies Act, 1956/2013**

Our Company was incorporated as “Shlokka Dyes Private Limited” on July 09, 2021 vide certificate of incorporation bearing CIN U24299GJ2021PTC124004 under the provisions of the Companies Act, 2013 issue by Registrar of Companies, Central Registration Centre.

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

The post issue paid up capital of the company will be [●] equity shares of face value of Rs. 10/- aggregating up to Rs. [●] which is less than Rs. 25 Crores.

**3. Net Tangible Assets**

The Net Tangible Assets based on Restated Standalone Financial Statement of our company as on March 31, 2024 is ₹1,766.12 Lakhs which is more than ₹ 300.00 Lakhs.

**4. Track Record**

**(A) The Company should have Track Record of at least 3 years.**

Our Company was incorporated on July 09, 2021, under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies. Therefore, we are in compliance with criteria of having track record of 3 years

**(B) The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive, as per the definition given in SEBI (ICDR) Regulations.**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> October, 2024	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Operating profit (EBIDT) from operations for at least any 2 out of 3 financial years.	1,056.98	1,280.90	160.54	-0.10
Net worth as per Restated Financial statement	2,285.02	1,756.87	858.63	0.64

**5. Leverage ratio of not more than 3:1. Relaxation may be granted to finance companies.**

Total Debt / Shareholders Fund as at October 31, 2024 was 1.25 times.

**6. Name change**

There is no name change within the last one year in our company.

**7. Other Requirements:**

**We confirm that**

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

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

No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the BSE SME.

**8. Disclosures**

**We confirm that**

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting companies of the Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting Company(ies) during the past three years.
- The Director of the company not disqualified/ debarred by any of the Regulatory Authority.
- The composition of the board of directors is in compliance with the requirements of Companies Act, 2013
- The Directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

- vi. The Promoter(s) or directors of our company not a promoter(s) or directors of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.
- vii. There is no change in promoters of the Company in preceding one year.

*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.*

- As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:
- The Draft Red Herring Prospectus has been filed with BSE SME Platform and our Company has made an application to BSE SME Platform for listing of its Equity Shares on the BSE SME Platform. BSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated December 20, 2024 with NSDL and agreement dated January 14, 2025 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue share capital of our Company is fully paid-up and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The Equity Shares held by the Promoters are dematerialized.
- There is no change of promoter of the issuer or there are no new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, in the preceding one year from date of filing application to BSE for listing on SME Platform of BSE Limited.
- There is no offer for sale by selling shareholders.
- The Objects of our Company does not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.

As per Regulation 230 (2) of the SEBI ICDR Regulations, our Company has ensured that:

- The amount for general corporate purposes, as mentioned in objects of the issue in the Draft Red-herring Prospectus does not exceed fifteen per cent of the amount being raised by our Company or ₹10 crores, whichever is less.

#### **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 BOOK RUNNING 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 BOOK RUNNING LEAD MANAGER INTERACTIVE FINANCIAL SERVICES LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED APRIL 25, 2025 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 BOOK RUNNING 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 Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE has given vide its letter [•] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the offer document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

**CAUTION- DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Directors, and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website: [www.shlokkadyes.com](http://www.shlokkadyes.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 BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement entered into between the Underwriter, and our Company. All information shall be made available by our Company and the BRLM to the public and investors at large including our website: [www.shlokkadyes.com](http://www.shlokkadyes.com), [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 centers 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 Red Herring 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 of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **LISTING**

The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE ("BSE SME"). BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being Issued.

If the permission to deal in the Equity Shares is not granted by BSE, our Company will forthwith repay, without interest, all monies received from the Applicants in pursuance of the Draft Red Herring Prospectus will be liable to reimburse our Company for such repayment of monies, on its behalf. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

## **CONSENTS**

The written consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the Book Running Lead Manager to the Issue, Underwriter, Registrar to the Issue, Market Makers and Banker's to Issue & Sponsor Bank to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of filing of the Prospectus for registration with the ROC. – **NOTED FOR COMPLIANCE**

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Patel & Panchal; Chartered Accountants. Statutory and Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, Restated financial statements dated July 19, 2024 and statement of Tax Benefits dated July 19, 2024, which may be available to the Company and its shareholders, included in this Draft Red Herring 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 Red Herring Prospectus. – **NOTED FOR COMPLIANCE**

## **EXPERT OPINION**

Except for Peer Review Auditors' reports on the restated financial statements and Statement of Tax Benefits issued by M/s. Patel & Panchal., 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.



## PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

For detailed description please refer to section titled “*Capital Structure*” beginning on page 56 of this Draft Red Herring Prospectus.

## OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

## PARTLY PAID-UP SHARES

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

## OUTSTANDING CONVERTIBLE INSTRUMENTS

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus

## PERFORMANCE VIS-À-VIS objects;

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 56 of this Draft Red Herring Prospectus, we have not made any previous rights and / or public issues during the last 5 years and are an “Unlisted Issuer” in terms of SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

None of our Group Companies and Promoter Group Companies have their equity shares listed on any stock exchange.

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING 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 Book Running 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
<b>MAIN BOARD IPO</b>								
1.	SRM Contractors Limited*	130.20	210	April 03, 2024	215.25	-5.17% (+0.59%)	-15.00% (+7.61%)	+25.86% (+15.05%)
<b>SME IPO</b>								
1.	Crop Life Science Limited (NSE	26.73	52	August 30, 2023	55.95	-20.00% (+0.91%)	-19.23% (+2.80%)	-9.13 % (+14.34%)

	EMERGE)							
2.	Vivaa Tradecom Limited (BSE SME)	7.99	51	October 12, 2023	40.80	-45.49% (-2.26%)	-41.18% (+7.50%)	-39.31% (+12.55%)
3.	Vrundavan Plantation Limited (BSE SME)	15.30	108	November 06, 2023	107.00	-42.59% (+6.68%)	-50.93% (+10.43%)	-51.85% (+13.73%)
4.	Kalaharidhaan Trendz Limited (NSE Emerge)	22.49	45	February 23, 2024	47.15	-7.78% (-0.94%)	+4.67% (+1.73)	-10.89% (+11.19%)
5.	Teerth Gopicon Limited (NSE Emerge)	44.39	111	April 16, 2024	125.00	+99.41% (+0.24%)	+301.67% (+11.01%)	+368.56% (+13.46%)
6.	DCG Cables and Wires Limited (NSE Emerge)	49.99	100	April 16, 2024	90.00	-4.45% (+0.24%)	+48.65% (+11.01%)	+40.05% (+13.46%)
7.	Winnny Immigration & Education Services Limited (NSE Emerge)	9.13	140	June 27, 2024	240.00	+107.29% (+3.29%)	+87.14% (+5.71%)	+118.57% (-1.90%)
8.	Kataria Industries Limited (NSE Emerge)	57.57	96	July 24, 2024	182.40	+94.48% (+1.66%)	+126.98% (+1.54%)	+44.11% (-4.35%)
9.	Kizi Apparels Limited (BSE SME)	5.58	21	August 06, 2024	23.15	+95.71% (+4.78%)	+41.95% (+0.24%)	+11.43% (-68.69%)
10.	SPP Polymer Limited (NSE Emerge)	24.49	59	September 17, 2024	63.00	-27.37% (-1.76%)	-36.86% (-2.95%)	-64.32% (-11.45%)
11.	Malpani Pipes and Fittings Limited (BSE SME)	25.92	90	February 04, 2025	85.90	-31.93% (-6.18%)	NA	NA
12.	HP Telecom India Limited (NSE Emerge)	34.23	108	February 28, 2025	115.05	+13.52% (+4.71%)	NA	NA

Sources: All share price data is from [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.in](http://www.bseindia.in)

\*Designated stock Exchange of SRM Contractors Limited is NSE Limited.

**Note:**

1. The BSE Sensex is considered as the Benchmark Index
2. Prices on BSE are considered for all of the above calculations
3. NA where the periods are not completed
4. NIFTY50 has considered as the benchmark index of NSE

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Book Running lead manager. Hence, disclosures pertaining to recent 10 issues handled by the Book Running lead manager are provided.

## SUMMARY STATEMENT OF DISCLOSURE

### Track Record of past issues handled by INTERACTIVE FINANCIAL SERVICES LIMITED:

Financial Year	Total no. of IPOs	Total Funds raised (₹ in cr.)	Nos. of IPOs trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPOs trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23	6	231.17	2	2	NA	1	NA	1	3	1	NA	1	NA	1
2023-24	7	173.87	1	2	3	NA	NA	1	1	1	3	1	NA	NA
2024-25	9	378.49	NA	2	2	4	NA	1	1	NA	NA	2	3	1

For details regarding track record of the Book Running 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 Book Running Lead Manager at: [www.ifinservices.in](http://www.ifinservices.in).

## STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process and UPI may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Book Running 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 November 25, 2024. For further details, please refer the chapter titled “*Our Management*” on page no. 131 of Draft Red Herring Prospectus.

Our Company has also appointed Mr. Siddharth Gajra as the Company Secretary and Compliance Officer of our company, for this Issue he may be contacted in case of any pre-issue or post-issue related problems at the following address:

**Siddharth Gajra**

**Company Secretary and Compliance Officer**

Shlokka Dyes Limited

**Address:** Plot No-C/54, GIDC, Saykha, Saran,  
Bharuch, Vagra, Gujarat, India, 392140

**Tel No.:** 9033441760

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

**Email ID:** [cs@shlokkadyes.com](mailto:cs@shlokkadyes.com)

## **SECTION VIII – ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring 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 Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, RoC and / or other authorities, as in force on the date of the Issue 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 Issue.

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 II(s) through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and II(s) 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. However, due to the outbreak of COVID19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“UPI Phase III”). Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application for 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 no. 255 of this Draft Red Herring 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 November 11, 2024 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on November 14, 2024 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 138 and 255 respectively of this Draft Red Herring Prospectus.

### **Face Value, Issue Price, Floor Price and Price Band**

The face value of the Equity Shares is ₹10 each and the Issue Price at the lower end of the Price Band is ₹ [●] per equity Share ("Floor Price") and at the higher end of the Price Band is ₹ [●] per equity Share ("Cap Price"). The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Gujarati edition of [●], a regional newspaper each with wide circulation where the registered office of the Company is situated and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange.

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the section titled "Basis for Issue Price" beginning on page no. 75 of the Draft Red Herring 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 no. 255 of the Draft Red Herring Prospectus.

### **Minimum Application Value; Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by 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 [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267(2) of the SEBI (ICDR) Regulations 2018 the minimum application size in terms of number of specified securities shall not be less than 2 lots Per application: “Provided that the minimum application size shall be above ₹2 lakhs.”

Further, in accordance with SEBI ICDR (Amendment) Regulations, 2025, the minimum application size in terms of numbes of specified securities shall not be less than ₹2 lakhs.

### **Minimum Number of Allottees**

In accordance with Regulation 268 (1) of SEBI (ICDR) Regulations 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, the minimum number of allottees in this Offer shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within four (4) Working days of closure of Issue. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

**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 Red Herring 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 Red Herring 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.**

### **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.

### **Nomination Facility to Investor**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of Joint Applicants, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only

on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### **Period of Operation of Subscription List of Public Offer**

ISSUE OPENS ON        [●]  
ISSUE CLOSES ON       [●]

- *In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*
- *In terms of Regulation 266(3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of sub-regulation 266(1).*

In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Manager will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. 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 Book Running 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 Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In case of

- I. any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked.
- II. any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock;
- III. any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock;
- IV. any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days



from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Red Herring Prospectus may result in changes in the timelines.

#### **Submission of Application Forms:**

<b>Issue period (except the Issue Closing Date)</b>	
Submission and Revision of Application Form	Only between 10.00 a.m. and 5.00 p.m. IST
<b>Issue Closing Date</b>	
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 Individual Investors (who applies for minimum application size) 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 LMs 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 Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with SEBI (ICDR) Regulations, 2018, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Individual Applicants (who applies for minimum application size) can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Individual Investor 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 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 Red Herring 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 Red Herring Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Fifteen (15) 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 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars.

### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

### **Withdrawal of the Issue.**

Our Company in consultation with the Book Running 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 Book Running 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 Red Herring 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 no. 56 of the Draft Red Herring Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "Main Provisions of the Articles of Association" beginning on page no. 255 of the Draft Red Herring 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:

1. If the Paid-up Capital of the company is likely to increase above Rs 25.00 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 promoter in favour 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), we shall have to apply to BSE for listing our 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

2. If the Paid-up Capital of the company is more than Rs 10 crores but below Rs 25 crores and if the company fulfils the eligibility criteria for listing laid down by the main board, we 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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.
3. Shall comply with the conditions laid down by the Stock Exchanges time to time. Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the issuer may undertake further issuance of capital without migration from SME exchange to the main board, subject to the issuer undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s)

## **Market Making**

The shares offered through this issue is proposed to be listed on the SME Platform of BSE Limited (SME Platform), wherein the Book Running 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 through this Draft Red Herring Prospectus.

For further details of the agreement entered into between the company, the Book Running Lead Manager and the Market Maker please refer “**Following is a summary of the key details pertaining to the Market Making arrangement**” in the chapter title “General Information” beginning on page no. 53 of the Draft Red Herring Prospectus.

## **New Financial Instruments**

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

## **Allotment of Equity Shares in Dematerialized Form**

As per the provisions of the Depositories Act, 1996 and in terms of Section 29(1) of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form, i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. As per the existing SEBI ICDR Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

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 Red Herring Prospectus:

- Tripartite agreement dated January 14, 2025 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated December 20, 2024 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.

NRI, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer without the prior approval of the RBI, so long as the price of the equity shares to be offered is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

**As per the extant policy of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue paid up capital is more than ten crore rupees and up to twenty-five crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME Platform of BSE. For further details regarding the salient features and terms of such this issue, please refer to chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page no. 205 and 218 respectively of this Draft Red Herring Prospectus.

Initial Public Offer of upto 65,00,000 Equity Shares of Face Value of ₹ 10/- each fully paid (The "Equity Shares") for cash at a price of ₹ [●] per Equity Shares (including a premium of ₹ [●] per equity share) aggregating to ₹ [●] lacs ("the Offer") by the issuer Company.

The Offer comprises a reservation of upto [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Offer to Public of upto [●] Equity Shares of ₹ 10 each ("the Net Offer"). The Offer and the Net Offer will constitute [●] % and [●] %, respectively of the post Offer paid up equity share capital of the Company. The Offer is being made through the Book Building Process.

Particulars of the Offer <sup>(1)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Investors/Bidders	Individual Investors/Bidders (who applies for minimum application size)
Number of Equity Shares available for allocation	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Individual Bidders	Not less than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for allocation	[●] of the Offer Size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Offer less allocation to QIB Bidders and RIBs will be available for allocation. Further, (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs (b) two third of the portion available to noninstitutional investors shall be reserved for applicants with application size of more than ₹10 lakhs, provided that the unsubscribed portion in either the	Not less than 35% of the Offer less allocation to QIBs and Non - Institutional Bidders will be available for allocation.

			sub-categories mentioned above could be allocated to applicants in the other sub-category of Non-Institutional Bidders	
<b>Basis of Allotment<sup>(2)</sup></b>	Firm Allotment	Proportionate as follows: (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Allotment to each Non- Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see “Issue Procedure” beginning on page 218 of this Draft Red Herring Prospectus.	Proportionate basis subject to Minimum allotment of [●] Equity Shares. For details, see “Issue Procedure” beginning on page 218 of this Draft Red Herring Prospectus.
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.			
<b>Minimum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares more than two lots.	[●] Equity Shares
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount shall be above two lots. Accordingly, the minimum application size shall be above ₹200,000
<b>Trading Lot</b>	[●] Equity Shares, However, the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations,	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

	2018.			
<b>Terms of Payment</b>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			
<b>Mode of Bidding</b>	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process, Through Banks or by using UPI ID for payment

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

- 1) *Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price*
- 2) *The SEBI ICDR Regulation, 2018 read alongwith SEBI ICDR (Amendment) Regulations, 2025, permits the offer of securities to the public through the Book Building Process, which states that not less than 35% of the Net Offer shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of Equity Shares in the Non – Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI (ICDR) (Amendment) Regulations, 2025. Not more than 50% of the Net Offer shall be allotted to QIBs, subject to valid Bids being received at or above the Offer Price.*
- 3) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- 4) *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*
- 5) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum- Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and allotment to Non- Institutional Investors shall be more than two lots, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

For further details, please refer chapter titled “Issue Procedure” beginning on page no. 218 of this Draft Red Herring Prospectus.

The Bids by FPIs with certain structures as described under “Issue Procedure” on page no. 218 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

### **Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (*one each in English and Hindi*) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Bid/Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) filing of the Red Herring Prospectus/ Prospectus with ROC.

### **Issue Program**

<b>Event</b>	<b>Indicative Dates</b>
<b>Bid/Issue Opening Date<sup>1</sup></b>	[●] <sup>1</sup>
<b>Bid/Issue Closing Date<sup>2</sup></b>	[●] <sup>2</sup>
<b>Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)</b>	[●]
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)</b>	[●]
<b>Credit of Equity Shares to Demat accounts of Allottees (T+2)</b>	[●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange (T+3)</b>	[●]

*Note 1 Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI (ICDR) Regulations*

*2Our Company, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations.*

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Bid-Cum Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:



- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than individual applicants (who applies for minimum application size).
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only individual applicants (who applies for minimum application size), which may be extended up to such time as deemed fit by BSE Limited (BSE SME) after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to BSE Limited (BSE SME) within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum Application form, for a particular applicant, the details as per physical Bid-Cum application form of that Applicant may be taken as the final data for the purpose of allotment. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

## 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 Book Running 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.

The SEBI ICDR Regulation, 2018 read alongwith SEBI ICDR (Amendment) Regulations, 2025, permits the offer of securities to the public through the Book Building Process, which states that not less than 35% of the Net Offer shall be available for allocation to Individual Investors (II(s)) who applies for minimum application size. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of Equity Shares in the Non – Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI (ICDR) (Amendment) Regulations, 2025. Not more than 50% of the Net Offer shall be allotted to QIBs, subject to valid Bids being received at or above the Offer Price.

Further, SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, our Company shall ensure that the minimum application size shall be two lots per application: “Provided that the minimum application size shall be above ₹ 2 lakhs.”

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From December 01, 2023, the UPI Mechanism for II(s) applying through Designated Intermediaries was made effective along-with the existing process existing timeline of T+3 days.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of BSE (“BSE SME”) to act as intermediaries for submitting Application Forms are provided on [www.bseindia.com](http://www.bseindia.com). For details on their designated branches for submitting Application Forms, please see the above-mentioned website of Platform of BSE (“BSE SME”).

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 Book Running 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 Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Red Herring

Prospectus. Bidders are advised to make their independent investigations and ensure that their application 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 Red Herring Prospectus and the Red Herring Prospectus.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of Such individual investors (II(s)), who applies for minimum application size into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

### **Book Building Issue Procedure**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two lots and up to such lots as equivalent to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Subject to the availability of Equity Shares in the Non – Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI (ICDR) (Amendment) Regulations, 2025. Not more than 50% of the Net Offer shall be allotted to QIBs, subject to valid Bids being received at or above the Offer Price and not less than 35.00% of the Issue shall be available for allocation to Individual Investors (IIs), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under subscription, if any, in the QIB Portion, would not be allowed to be met with spill over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

***Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.***

### **Availability of Draft Red Herring Prospectus and Bid cum Application Forms**

Copies of the Bid Cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE, at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Bid cum Application Form will be available at the offices of the BRLM.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Bid cum Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form
Anchor Investor***	White
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

\*\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by II(s) (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

### 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 Bid cum Application Form to any of the following Intermediaries (Collectively called “Designated Intermediaries”).

Sr No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
4.	A depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	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 exchanges(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). 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 Bid?

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. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

#### **Participation by associates/affiliates of Book Running Lead Manager**

The Book Running 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 Book Running 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

#### **METHOD OF BIDDING PROCESS**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and the registered office of our company is situated in Bharuch, Gujarat. therefore, Gujarati edition of regional newspaper, each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids
- c) Each Bid Cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”
- e) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- f) The BRLM shall accept the Bids from Anchor Investors during the Anchor Investor Bid/Issue Period i.e., one working day prior to the Bid/Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple bids.

- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism – Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page no. 227 of this Draft Red Herring Prospectus.
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid Cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company is in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval if, or intimation, to the Bidders.
- c. The bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Individual Investors (II(s)), may bid at the Cut-Off Price. However, bidding at the Cut-Off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-institutional Bidders shall be rejected.
- d. Individual Investors (II(s)), who Bid at Cut-Off Price agree that they shall purchase the equity shares at any price within that Price Band. Individual Investors bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non- Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoter and Promoter Group can apply in the Offer under the Anchor Investor Portion

#### **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 rematerialized 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.

#### **Information for the Bidders:**

- a. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
- b. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
- c. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
- d. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
- e. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
- f. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected
- g. The Bid cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. the Individual Investors who applies for minimum application size has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
- h. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
- i. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
- j. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected

#### **Bids by 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/Bid cum 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.

#### **Bids 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

### **Bids 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.

### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum 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 Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Bid cum 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.

### **Bids by FIIs including FII's:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FIIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FIIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI 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) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an 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.

#### **Bids by SEBI registered VCFs, AIFs and FVCIs**

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) Investee Company. A category III AIF cannot invest more than 10% of their investible funds in one (1) Investee Company. A venture capital fund registered as a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **Bids by 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

#### **Bids by limited liability partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the BRLM, reserves the right to reject any application, without assigning any reason thereof.

#### **Bids 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.

#### **Bids 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").

#### **Bids 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.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1) (ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4. Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
5. Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
11. The BRLM, our Promoter, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **Bids 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.

#### **Bids 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 Book Running 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 Bid cum 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 Bid cum Application Form instead of those obtained from the Depositories

### **Bids by OCBs**

In accordance with RBI regulations, OCBs cannot participate in this Issue.

### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

### **Maximum and Minimum Application Size**

#### **1. For Individual Investors (IIs), who applies for minimum application size**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant exceed ₹ 2,00,000. In case of revision of Applications, Such Individual Investors who applies for minimum application size have to ensure that the Application Price exceed ₹ 2,00,000.

#### **2. For Other than Individual Investors (Non-Institutional Investors and QIBs):**

The Application must be for a minimum of such number of Equity Shares in Multiple of [●] Equity shares such that the bid size exceeds 2 Lots. 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 not less than 2 lots per application provided that the minimum application size shall be above ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

#### **3. Minimum Bid Lot: [●] Equity shares**

**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 Red Herring Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations**

## **ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

### **ASBA Process**

**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 Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Bid cum Application Form is correctly filled up, as described in this section.**

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.

Resident Individual Investors 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 Book Running 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 Bid cum 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 Bid cum 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.

## **PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY INDIVIDUAL INVESTORS (II(s)), WHO APPLIES FOR MINIMUM APPLICATION SIZE**

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a Individual Investors would also have the option to submit Bid cum Application Form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

## **Application and validation process**

- a. submission of the application with the intermediary, the II(s) would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b. II(s) will fill in the Application details in the Bid cum Application Form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- c. The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform
- d. Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of II(s) with the depository.
- e. Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f. SMS from exchange to II(s) for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the II(s) regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day

## **The Block Process**

- a. Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with II(s) UPI ID, with the Sponsor Bank appointed by the issuer.
- b. The Sponsor Bank will initiate a mandate request on the II(s) i.e. request the II(s) to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date ("Cut-Off Time"). Accordingly, II(s) using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- c. The request raised by the Sponsor Bank, would be electronically received by the II(s) as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- d. The II(s) would be able to view the amount to be blocked as per his / her Application in such intimation. The II(s) would also be able to view an attachment wherein the IPO Application details submitted by II(s) will be visible. After reviewing the details properly, II(s) would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a onetime mandate for each application in the IPO.
- e. Upon successful validation of block request by the II(s), as above, the said information would be electronically received by the II(s)' bank, where the funds, equivalent to application amount, would get blocked in II(s) account. Intimation regarding confirmation of such block of funds in II(s) account would also be received by the II(s).
- f. The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- g. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation
- h. II(s) would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, II(s) will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.  
Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by II(s) using UPI ID.

## **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors, who applies for minimum application size, applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **Mode of Payment**

Upon submission of a Bid cum 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 Bid cum 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 Bid cum 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 Bid cum 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.

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

1. For Individual Investors who applies for minimum application size

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant exceed ₹2,00,000

2. For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application Amount exceeds ₹2,00,000 and in multiples of Equity Shares thereafter

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, 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 cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional 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 Bid cum Application Form 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 the Prospectus.**

#### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. 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.

#### **Terms of payment**

The entire Offer price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

#### **Payment Mechanism**

The Applicants shall specify the bank account number in their Bid cum 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-Individual Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful 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 Individual Investors who applies for minimum application size through intermediaries, where the existing process of investor submitting Bid cum 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 Individual Investors who applies for minimum application size 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, Individual Investors (IIs) 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, II(s) 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 Bid cum 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 Book Running 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 Bid cum Application Form number in their respective schedules other things remaining unchanged, the Bid cum 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 Book Running 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. Bid cum 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 (IIs) 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 Bid cum 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 Book Running 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 Individual Investors who applies for minimum application size, 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 Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
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.

## **BUILD OF THE BOOK**

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Offer Period.

## **Withdrawal of Bids**

II(s) can withdraw their Bids until Bid/ Offer Closing Date. In case an II(s) wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

## **Signing of Underwriting Agreement**

The issue is 100% Underwritten. For further details please refer to Section titled "General Information" on page 44 of this Draft Red Herring Prospectus.

Filing of the Offer Document with the ROC

For filing details, please refer Chapter titled "General Information" beginning on page no. 44 of this Draft Red Herring 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. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price and the Anchor Investor Offer Price.
- b. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid Cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e. In case if the Individual Investors who applies for minimum application size category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f. Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

#### **Issuance of Allotment Advice**

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.
3. The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
4. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

#### **Issuance of Confirmation Allocation Note ("CAN") And Allotment In The Offer**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Designated Date and Allotment**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment / Unblock or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid/ Offer Closing Date.

The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

- a) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

- b) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **General Instructions**

Applicants are requested to note the additional instructions provided below.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band
3. Read all the instructions carefully and complete the Application Form;
4. 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;
5. 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;
6. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
7. 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 Bid cum 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;
8. QIBs, Non-Institutional Bidders and the such Individual Investors who applies for minimum application size should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, II(s) may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of your application;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by II(s) using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Individual investors who applies for minimum application size 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
13. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
14. 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.
15. Ensure that the Demographic Details are updated, true and correct in all respects;
16. Ensure that the signature of the First Bidder in case of Joint Bids, is included in the Bid cum Application Forms;
17. Ensure that thumb impressions and signatures other than in the languages specified in the eighth schedule to the Constitution of India are attested by a magistrate or a notary public or a special executive magistrate under official seal;
18. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint application, the Bid

cum 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;

19. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
20. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
21. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
22. Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Bid cum 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 Bid cum 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;
23. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Bid cum Application Form and the Prospectus;
24. 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 Bid cum Application Form at the time of submission of the Application;
25. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Individual Investors who applies for minimum application size Bidding using the UPI Mechanism) in the Bid Cum Application Form and such ASBA account belongs to you and no one else. Further, Individual Investors who applies for minimum application size 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;
26. Individual Investors who applies for minimum application size 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;
27. Individual Investors who applies for minimum application size 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. Individual Investors who applies for minimum application size 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 Bid cum Application Form that does not have the stamp of the Designated Intermediary;
7. If you are an Individual Investors who applies for minimum application size, do not apply for less than ₹ 200,000;
8. Do not fill up the Bid cum 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 Individual Investors who applies for minimum application size 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 Individual Investors who applies for minimum application size, 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 Bid cum 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 Individual Investors who applies for minimum application size using the UPI Mechanism)

**The Bid cum 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 Bid cum 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 Bid cum Application Form submitted. Bid cum 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 Bid cum 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 Book Running 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 Bid cum 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 Bids 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 Bid cum 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 Bids**

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, Book Running 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.**

### **Investor Grievance**

In case of any pre- Offer or post Offer related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company

### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### **Submission of Bids**

**not**

- During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Book Running 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, Individual Investors who applies for minimum application size, the Company has a right to reject Applications based on technical grounds. It should be noted that II(s) 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.

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- 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;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;

- e. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- f. GIR number furnished instead of PAN;
- g. Bid for lower number of Equity Shares than specified for that category of investors;
- h. Bids at Cut-off Price by NIIs and QIBs;
- i. Bids for number of Equity Shares which are not in multiples of Equity Shares which are not in multiples as specified in the DRHP;
- j. The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- k. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- l. Category not ticked;
- m. Multiple Bids as defined in the DRHP;
- n. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- o. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- p. Signature of sole Bidder is missing;
- q. Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- r. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- s. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- t. Bid by OCBs;
- u. Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- v. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- w. Bids not uploaded on the terminals of the Stock Exchange;
- x. Where no confirmation is received from SCSB for blocking of funds;
- y. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- z. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- aa. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- bb. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
  - a. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
  - b. Details of ASBA Account not provided in the Bid cum Application form

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a. The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b. Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

- c. In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the DRHP

### **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 December 20, 2024 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated January 14, 2025 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No: INE1EUB01016

- 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 Bid cum 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 Bid cum 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 Bid cum 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 Bid cum 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, Bid cum 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.**

<b>SHLOKKA DYES LIMITED</b> <b>Address:</b> Plot No-C/54, GIDC, Saykha, Saran, Bharuch, Vagra, Gujarat, India, 392140 <b>Tel No:</b> 9033441760 <b>Website:</b> www.shlokkadyes.com <b>E-mail:</b> info@shlokkadyes.com	<b>Bigshare Services Private Limited</b> <b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra, India <b>Tel No.:</b> +91 22-62638200 <b>Website:</b> www.bigshareonline.com <b>E-Mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>
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	Investor Grievance Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Contact Person: Mr. Asif Sayyed SEBI Reg. No.: INR000001385 CIN: U99999MH1994PTC076534
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### **Disposal of Applications and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case

### **Impersonation**

Attention of the 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 Book Running 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 Red Herring Prospectus. The designated Stock Exchange may be as disclosed in the Draft Red Herring 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 Red Herring Prospectus, the Book Running 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 Book Running 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 200 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 Red Herring 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 3 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 3 Working Days of the Issue Closing Date.

### **BASIS OF ALLOTMENT**

#### **a. For Individual Bidders**

Bids received from the such Individual Investors (who applies for minimum application size) at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Investors (who applies for minimum application size) will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Investors (who applies for minimum application size) who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to such Individual Investors (who applies for minimum application size) to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below

**b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Individual Investors (who applies for minimum application) size shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for 95% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**



- a. Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements
  - a. not more than 60% of the QIB Portion will be allocated to Anchor Investors
  - b. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - c. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
    - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b. A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c. In the event that the Offer Price is higher than the Anchor Investor Allocation Price:
 

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor 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 Anchor Investors
- d. In the event the Offer Price is lower than the Anchor Investor Allocation Price:
 

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice
- e. Basis of Allotment for QIBs (Other than Anchor Investors) and NIIs in case of Over Subscribed offer
 

In the event of the Offer being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the BSE SME (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder

  - a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
  - b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
  - c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
    - Each successful Bidder shall be allotted [●] equity shares; and
    - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
  - d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares
  - e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final

allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

Individual investors (who applies for minimum application size) means an investor who applies for shares of value exceeds ₹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 BSE.

The Allotment of Equity Shares to Bidders other than Individual investors (who applies for minimum application size) and Anchor Investors may be on proportionate basis. No Individual investors who applies for minimum application size applicant will be allotted less than the minimum application Lot subject to availability of Equity Shares in II(s) Category and the remaining available Equity Shares, if any will be allotted on a proportionate basis. The Company is required to receive a minimum subscription of 90% of the Issue.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

**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.**

#### **Flow of Events from the closure of bidding period (T DAY) Till Allotment:**

- On T Day, Registrar to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- Registrar identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- Registrar prepares the list of final rejections and circulate the rejections list with LM / Company for their review/ comments.
- Post rejection, the Registrar submits the basis of allotment with the Stock Exchange.
- The Stock Exchange, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The Registrar uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

#### **Process for generating list of allottees: -**

- Instruction is given by Registrar in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Stock Exchange is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the Registrar will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the

stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect front January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com).

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre- Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **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 3 (Three) 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 Red Herring 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 and price band 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 the time prescribed under applicable law 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 Red Herring 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 Book Running 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 Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them 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**

(As per Table F of Companies Act, 2013)

of

**\* SHLOKKA DYES LIMITED**

(A company limited by shares)

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### **I. Interpretation**

1. In these regulation articles (a) the Act means the Companies Act 2013 (b) the seal means the common seal of the company. (c) Articles means these articles of association of the Company or as altered from time to time. (d) Board of Directors or Board means the collective body of the directors of the Company. (e) The Chairperson means the Chairperson of the Board of Directors for the time being or the Company. (f) The Company is public limited company within the meaning of Section 2(17) of the Companies Act 2013. (g) Rules means the applicable rules for the time being in force as prescribed under relevant sections of the Act. Unless the context otherwise requires words or expressions contained in these regulations' articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations articles become binding on the company.

### **II. Share capital and variation of rights**

1.
  - i. Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company. If the share capital of the Company consists of Preference Shares the Company shall have right to issue and redeem the preference shares in accordance with the provisions of the Act. 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.
  - ii. Subject to the provisions of the Act and these Articles the shares in the capital of the company shall be under the control of the Directors who may issue allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. In respect of any share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. 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. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognized 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 recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. 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. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly

in the other.

6. 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. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed or converted on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **Lien**

9. (i) The company shall have a first and paramount lien -
  - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made --

- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof
    - (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
    - (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
  12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
    - (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### **Calls on shares**

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:



Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

**14.** A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

**15.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

**16.** (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

**17.** (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**18.** The Board --

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **Transfer of shares**

**19.** The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

**20.** The Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.

**21.** The Company shall maintain a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share Debenture or other Security held in a material form. The Company shall also use a common form of transfer. In accordance with Section 56 of the Act the rules and such other conditions as may be prescribed under Law every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form the provisions of the Depositories Act shall apply. All provisions of Section 56 of the Act and statutory modifications thereof for the time being shall be duly complied with in respect of all transfer of shares and registrations thereof.

**22.** On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year. (2) The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

### **Transmission of shares**

- 23.** (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 24.** (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --
- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 25.** (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 26.** A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

### **Forfeiture of shares**

- 27.** If a member fails to pay any call or instalment of a call or any money due in respect of any share 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 or a judgement or decree in respect thereof remains unsatisfied in whole or in part serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of nonpayment.
- 28.** The notice aforesaid shall --
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- 29.** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 30.** 1) Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares nor any indulgence that may be granted by the Company in respect of payment

of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture. (2) When any share shall have been so forfeited notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid. (3) 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. (4) A forfeited share shall be deemed to be the property of the Company and may be sold or reallocated or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. Forfeited shares may be sold etc. (5) At any time before a sale re-allotment or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.

- 31.** 1) 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. (2) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine from the time of forfeiture until payment or realisation. The Board may if it thinks fit but without being under any obligation to do so enforce the payment of the whole or any portion of the monies due without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. (3) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 32.** (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 33.** (1) 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 purchasers 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. (2) 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. (3) The Board may subject to the provisions 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. (4) The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified (a) The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company. (b) No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provision of Section 124 and 125 of the Act in respect of all unclaimed or unpaid dividends.

#### **Alteration of capital**

- 34.** The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- 35.** Subject to the provisions of the Act the Company may by Ordinary Resolution -(a) increase the share capital by such sum to be divided into shares of such amount as it thinks expedient (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares Provided that any consolidation and

division which results in changes in the voting percentage of members shall require applicable approvals under the Act (c) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum (e) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit. Provided that the Board may from time to time fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. 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. Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.
37. (1) The company may by special resolution reduce in any manner and with and subject to any incident authorised and consent required by law (a) its share capital (b) any capital redemption reserve account (c) or any share premium account. and or (d) any other reserve in the nature of share capital. (2) Where two or more persons are registered as joint holders (not more than three) of any share they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles (3) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share. (4) On the death of any one or more of 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. (5) Any one of such joint holders may give effectual receipts of any dividends interests or other moneys payable in respect of such share. (6) 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 the delivery of certificate if any relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint holders. (7) (i) Anyone of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof. (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 joint-holders. (8) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

### **Capitalization of profits**

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve --
- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(iii) 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;

(iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

**39.** (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall --

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally, do all acts and things required to give effect thereto.

(ii) The Board shall have power --

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

#### **Buy-back of shares**

**40.** Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **General meetings**

**41.** (i) All general meetings other than annual general meeting shall be called extraordinary general meeting.

**42.** The Board may whenever it thinks fit call an Extraordinary General Meeting.

#### **Proceedings at general meetings**

**43.** 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. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.

**44.** The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

**45.** If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

**46.** If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

**47.** 1) On any business at any general meeting in case of an equality of votes whether on a show of hands or electronically or on a poll the Chairperson shall have a second or casting vote. (2) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution

passed by postal ballot to be prepared and signed in such manner as maybe prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered. (3) There shall not be included in the minutes any matter which in the opinion of the Chairperson of the meeting -(a) is or could reasonably be regarded as defamatory of any person or(b) is irrelevant or immaterial to the proceedings or(c) is detrimental to the interests of the Company. (4) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause. (5) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein. (6) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall(a) be kept at the registered office of the Company and (b) be open to inspection of any member without charge during 11.00 a.m. t 1.00 p.m. on all working days other than Saturdays. (7) Any member shall be entitled to be furnished within the time prescribed by the Act after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board with a copy of any minutes referred to in clause(1) above Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years shall be entitled to be furnished with the same free of cost. (8) The Board and also any person(s) authorised by it may take any action before the commencement of any general meeting or any meeting of a class of members in the Company which they may think fit to ensure the security of the meeting the safety of people attending the meeting and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final and rights to attend and participate in the meeting concerned shall be subject to such decision.

#### **Adjournment of meeting**

48. 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. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in section 103 of the Act it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **Voting rights**

49. Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person shall have one vote and 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.
50. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
51. (1) 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. If any member be a minor the vote in respect of his share or shares shall be by his guardian or any one of his guardians. (2) 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 duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
52. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.
54. 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 or in regard to which the Company has exercised any right of lien.

55. (1) A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken or on any other ground not being a ground set out in the preceding Article.  
(2) Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

### **Proxy**

56. (1) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf for that meeting.  
(2) 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 and in default the instrument of proxy shall not be treated as valid.
57. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
58. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **Board of Directors**

59. Unless otherwise determined by the Company in general meeting the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen). (1) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation. (2) The same individual may at the same time be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.
60. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.  
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them -  
(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or  
(b) in connection with the business of the company.
61. The Board may pay all expenses incurred in getting up and registering the company.
62. 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.
63. 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.
64. 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.
65. (1) Subject to the provisions of the Act 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. (2) 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. (3) The Board may appoint an alternate director to act for a director (hereinafter in this Article called the Original Director) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act. (4) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. (5) If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of an to her appointment shall apply to the Original Director and not to the alternate director. (6) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course the resulting casual vacancy maybe filled by the Board of Directors at a meeting of the Board. (7) The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated. (8) The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers and do all such acts and things as the Company is by the memorandum of association otherwise authorized to exercise and do and not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations not being in consistent 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 in validate any prioract of the Board which would have been valid if such regulation had not been made.

### **Proceedings of the Board**

- 66.** (1) The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit.
- (2) The Chairperson or any one Director with the previous consent of the Chairperson may or the company secretary on the direction of the Chairperson shall at any time summon a meeting of the Board.
- (3) The quorum for a Board meeting shall be as provided in the Act.
- (4) The participation of directors in a meeting of the Board maybe either in person or through video conferencing or audio-visual means or teleconferencing as may be prescribed by the Rules or permitted under law.
- 67.** (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 68.** i. 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. ii. An interested director can participate in any item of business at the board meeting in which he is interested after disclosure of his interest and he shall be counted for the purpose of ascertaining the quorum.
- 69.** (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 70.** (1) 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. (2) 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. (3)The participation of directors in a meeting of the Committee 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.



- 71.** (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 72.** (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 73.** 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.
- 74.** 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. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

- 75.** Subject to the provisions of the Act, --
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 76.** A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **Dividends and Reserve**

- 77.** The Company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend
- 78.** Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- 79.** (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve
- 80.** (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends

shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

**81.** The Board may deduct from any dividend payable to and 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. (2) The Board may retain dividends payable upon shares in respect of which any person is under the Transmission Clause herein before contained entitled to become a member until such person shall become a member in respect of such shares.

**82.** (i) 1) Any dividend interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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. (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. (3) 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 having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made. 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.

**83.** Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.

**84.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

**85.** No dividend shall bear interest against the company. (2) The waiver in whole or in part of any dividend on any share by and document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and

#### **Accounts**

**86.** (1) The books of account and books and papers of the Company or any of them shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules. (2) No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.

#### **Winding up**

**87.** Subject to the provisions of Chapter XX of the Act and rules made thereunder --

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **Indemnity**

- 88.** (1) Subject to the provisions of the Act every director managing director whole-time director manager company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company to pay all costs losses and expenses (including travelling expense) which such director manager company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director manager company secretary or officer or in any way in the discharge of his duties in such capacity including expenses. (2) Subject as aforesaid every director managing director manager company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court. (3) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

### **General Authority**

- 89.** Wherever in the Act it has been provided that the Company shall have any right privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles then and in that case this Article authorizes and empowers the Company to have such rights privileges or authorities and to carry out such transactions as have been permitted by the Act without there being any specific Article in that behalf herein provided.

Note:

*\* The Articles of Association were adopted pursuant to Special Resolution passed at the Extra-Ordinary General Meeting of the Company held on October 08, 2024 approving conversion of the company from Private Limited to Public Limited*

## **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 Red Herring 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 Plot No-C/54, GIDC, Saykha, Saran, Vagra, Bharuch-392140, Gujarat, India between 10:00 a.m. and 5:00 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at <https://shlokkadyes.com/> and will be available for inspection from date of the Draft Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/ Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### **A. Material contracts for the Issue**

1. Issue Agreement dated December 06, 2024 between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated December 06, 2024 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated January 20, 2025 amongst our Company, the Underwriter and the Book Running Lead Manager.
4. Market Making Agreement dated January 20, 2025 amongst our Company, Market Maker and the Book Running Lead Manager.
5. Bankers to the Issue Agreement dated [●] amongst our Company, the Book Running Lead Manager, Banker (s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement January 14, 2025 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
7. Tripartite agreement dated December 20, 2024 amongst our Company, National Securities Depository Limited and Registrar to the Issue.
8. Monitoring Agency Agreement dated [●] entered into among our Company and the Monitoring Agency.
9. Syndicate Agreement dated [●] entered into amongst the members of Syndicate, Book Running Lead Manager, Registrar to issue and Our Company.

#### **B. Material documents for the Issue**

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated November 11, 2024 in relation to the Issue and other related matters.
3. Shareholders' resolution dated November 14, 2024 in relation to the Issue and other related matters.
4. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Book Running Lead Manager, Legal Advisor to the Issue, Chartered Engineer, Practising Company Secretary, Monitoring Agency, 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 Red Herring Prospectus and to acting their respective capacities.
5. Peer Review Auditors Report dated December 07, 2024 on Restated Financial Statements of our Company for the period ended on October 31, 2024, March 31, 2024, March 31, 2023 and 2022.
6. The Report dated April 03, 2025 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 Red Herring Prospectus.
7. Audit Committees Resolution dated December 07, 2024 approving the KPI and Certificate from the Peer Review Auditor of the Company M/s Patel & Panchal, Chartered Accountants dated December 07, 2024 with respect to the KPIs disclosed in this Draft Red Herring Prospectus.
8. Board Resolution dated April 25, 2025, [●] and [●] for approval of this Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively.

9. Copy of Approval dated [●] from the SME Platform of BSE to use their name in the Prospectus for listing of Equity Shares.
10. Due diligence certificate on Draft Red Herring Prospectus from Book Running Lead Manager dated April 25, 2025 addressing BSE, Red Herring Prospectus from Book Running Lead Manager dated [●] addressing BSE and Prospectus from Book Running Lead Manager dated [●] addressing BSE & SEBI.
11. Site Visit Report issued by Book Running Lead Manager.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

### Signed by the Directors of the Company:

Name	Designation	Signature
Mr. Vaibhav Shah	Managing Director	Sd/-
Ms. Shivani Rajpurohit	Executive Director	Sd/-
Mr. Shivilal Purohit	Non-Executive Director	Sd/-
Mr. Konark Patel	Non-Executive Independent Director	Sd/-
Mr. Meet Joshi	Non-Executive Independent Director	Sd/-

### Signed by:

Name	Designation	Signature
Mr. Rajesh Patel	Chief Financial Officer	Sd/-
Mr. Siddharth Gajra	Company Secretary and Compliance Officer	Sd/-

**Place: Ahmedabad**

**Date: April 25, 2025**