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RED HERRING PROSPECTUS

Dated: June 23, 2025

Please read Section 26 & 32 of the Companies Act, 2013

(This Red Herring Prospectus will be

updated upon filing with the Registrar of Companies)


100% Book Built Issue



Silky Overseas Limited

SILKY OVERSEAS LIMITED

Corporate Identification Number: U17110DL2016PLC298888

| Registered Office | | Contact Person | Email ID and Contact No. | Website |
|---|---|---|--|--|
| F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, Northwest Delhi, Delhi-110052, India | | Ms. Sakshi Sareen Company Secretary and Compliance Officer | Email Id: info@silkyoverseas.com Contact No.: +91 74040 88823 | www.silkyoverseas.com |
| PROMOTERS OF THE COMPANY: MR. SAWAR MAL GOYAL, MR. ANANYA GOYAL AND M/S. S.M. GOYAL & SONS (HUF) | | | | |
| DETAILS OF THE ISSUE | | | | |
| Type | Fresh Issue Size (In ₹ Lakhs) | OFS Size (In ₹ Lakhs) | Total Issue Size (In ₹ Lakhs) | Eligibility |
| Fresh Issue | Up to 19,05,600* Equity Shares of face value of ₹ 10.00 each amounting up to ₹ [●] Lakhs | Nil | Up to 19,05,600* Equity Shares of face value of ₹ 10.00 each amounting up to ₹ [●] Lakhs | THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229(1) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED. FOR DETAILS IN RELATION TO ISSUE ALLOCATION, PLEASE SEE ISSUE STRUCTURE” ON PAGE 246 OF THIS RED HERRING PROSPECTUS |
| DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDER, AND THEIR AVERAGE COST OF ACQUISITION: NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES A FRESH ISSUE OF EQUITY SHARES | | | | |
| RISK ABOUT THE FIRST ISSUE | | | | |
| This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of Equity Shares is ₹10.00 each and the Issue Price is [●] times the face value of the Equity Shares. The Issue Price determined and justified 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-built process, in accordance with the SEBI ICDR Regulations, and as stated in chapter titled “ <i>Basis for Issue Price</i> ” on page 98 of this Red Herring Prospectus, 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 active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing. | | | | |
| GENERAL RISKS | | | | |
| Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the issue, including the risks involved. The Equity Shares in the issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section “ <i>Risk Factors</i> ” beginning on the page 34 of this Red Herring Prospectus. | | | | |
| ISSUER’S ABSOLUTE RESPONSIBILITY | | | | |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. | | | | |
| LISTING | | | | |
| The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of the National Stock Exchange of India Limited (“NSE Emerge”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received “ <i>In principle</i> ” approval from the National Stock Exchange of India Limited for using its name in the Issue document for the listing of the Equity Shares, pursuant to letter dated March 11, 2025 letter no. NSE/LIST/4517. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Emerge. | | | | |
| BOOK RUNNING LEAD MANAGER TO THE ISSUE | | | | |
| Name and Logo | | Contact Person | Email ID & Contact No. | |
|  GRETEX CORPORATE SERVICES LIMITED | | Mr. Pradip Agarwal | Email Id: info@gretexgroup.com Contact No.: +91 93319 26937 | |
| REGISTRAR TO THE ISSUE | | | | |
| Name and Logo | | Contact Person | Email ID & Contact No. | |
|  SKYLINE FINANCIAL SERVICES PRIVATE LIMITED | | Mr. Anuj Rana | Email Id: ipo@skylinerta.com Contact No.: +91- 11-40450193-197 | |
| ISSUE PROGRAMME | | | | |
| ANCHOR INVESTOR BID/ ISSUE PERIOD | | | Friday, June 27, 2025 ⁽¹⁾ | |
| ISSUE OPENS ON | | | Monday, June 30, 2025 ⁽¹⁾ | |
| ISSUE CLOSES ON | | | Wednesday, July 02, 2025 ^{(2) (3)} | |

* Subject to Finalization of Basis of Allotment

(1) 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.

(2) Our Company may, 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.

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

**Silky Overseas Limited****SILKY OVERSEAS LIMITED****Corporate Identification Number: U17110DL2016PLC298888**

Our Company was originally incorporated on May 01, 2016, as a Private Limited Company in the name and style of 'Silky Overseas Private Limited' under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on October 19, 2023, our Company was converted from a Private Limited Company to a Public Limited Company and consequently, the name of our Company was changed to 'Silky Overseas Limited' and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 07, 2023. The Corporate Identification Number of our Company is U17110DL2016PLC298888. For details in relation to the incorporation, Change in Registered Office, and other details, please refer to the chapter titled **"Our History and Certain Other Corporate Matters"** beginning on page 162 of this Red Herring Prospectus.

Registered Office: F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, Northwest Delhi-110052, India**Contact Person:** Ms. Sakshi Sareen, Company Secretary and Compliance Officer**Email Id:** info@silkyoverseas.com; **Contact No.:** +91 7404088823; **Website:** www.silkyoverseas.com**Our Promoters:** Mr. Sawar Mal Goyal, Mr. Ananya Goyal and M/s. S.M. Goyal & Sons (HUF)**DETAILS OF THE ISSUE**

INITIAL PUBLIC OFFER OF UPTO **19,05,600*** EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH ("EQUITY SHARES") OF SILKY OVERSEAS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 10 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] ("THE ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UPTO 3,13,600 EQUITY SHARES 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 UPTO 15,92,000 EQUITY SHARES AGGREGATING TO ₹ [●] (THE "NET ISSUE").

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF BUSINESS STANDARD (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITIONS OF BUSINESS STANDARD (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND DELHI EDITION OF PRATAH KIRAN, (HINDI BEING THE REGIONAL LANGUAGE OF DELHI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE") 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 Book Running Lead Manager and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE

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 Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% 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 Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs 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 250 of this Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled **"Issue Procedure"** beginning on page 250 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of Equity Shares is ₹10.00 each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price determined and justified 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, in accordance with the SEBI ICDR Regulations, and as stated in chapter titled **"Basis for Issue Price"** on page 98 of this Red Herring Prospectus, 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 active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section **"Risk Factors"** beginning on page 34 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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 Issued through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received "In-Principle" approval from the National Stock Exchange of India Limited for using its name in the Issue document for the listing of the Equity Shares, pursuant to letter dated March 11, 2025 letter no. NSE/LIST/4517. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Emerge.

BOOK RUNNING LEAD MANAGER TO THE ISSUE**REGISTRAR TO THE ISSUE****GRETEX CORPORATE SERVICES LIMITED**

A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai-400013, Maharashtra, India.

Contact No.: +91 93319 26937**Email Id:** info@gretexgroup.com**Website:** www.gretexcorporate.com**Contact Person:** Mr. Pradip Agarwal**SEBI Registration No:** INM000012177**CIN:** L74999MH2008PLC288128**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**

D-153A, First Floor Okhla Industrial Area, Phase-I, New Delhi-110020 India

Email Id: ipo@skylinerta.com**Contact No.:** +91- 11-40450193-197**Investor Grievance E-mail:** grievances@skylinerta.com**Website:** www.skylinerta.com**Contact Person:** Mr. Anuj Rana**SEBI Registration No.:** INR000003241**CIN:** U74899DL1995PTC071324**ISSUE PROGRAMME**

| ANCHOR INVESTOR BID/ ISSUE PERIOD | Friday, June 27, 2025 (1) | ISSUE OPENS ON | Monday, June 30, 2025 (1) | ISSUE CLOSES ON | Wednesday, July 02, 2025(2) (3) |
|--------------------------------------|------------------------------|----------------|---------------------------|-----------------|---------------------------------|
|--------------------------------------|------------------------------|----------------|---------------------------|-----------------|---------------------------------|

* Subject to Finalization of Basis of Allotment

(1) 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.

(2) Our Company may, 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.

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

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

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, 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 Red Herring Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made there under.

Notwithstanding the foregoing, terms used in the sections “Statement of Possible Tax Benefits”, “Basis for Issue Price”, “Our History and Certain Corporate Matters”, “Financial Statements as Restated”, “Outstanding Litigations and Material Developments”, “Other Regulatory and Statutory Disclosures” and “Main Provisions of Articles of Association” on pages 103, 98, 162, 195, 217, 226 and 283 respectively, shall have the meaning ascribed to such terms in the relevant section.

SPECIFIC COMPANY-RELATED TERMS

| Term | Description |
|---|---|
| “Silky Overseas Limited,” “SOL,” “Silky,” “We” or “us” or “Our Company” or “the Issuer” | Unless the context otherwise indicates or implies, refers to, Silky Overseas Limited, a Public Limited Company incorporated under the Companies Act, 2013 and having its Registered Office at F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, Northwest Delhi, Delhi-110052, India |
| Promoter(s) / Core Promoter | The promoters of our Company being Mr. Sawar Mal Goyal, Mr. Ananya Goyal and M/s. S. M. Goyal & Sons (HUF) for further details, please refer to the chapter titled “Our Promoters and Promoter Group” on the page 187 of this Red Herring Prospectus. |
| Promoter Group | Such persons, entities, and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as disclosed in the Chapter titled “Our Promoters and Promoter Group” on page 187 of this Red Herring Prospectus. |

CONVENTIONAL AND GENERAL TERMS

| Term | Description |
|--|--|
| AIF(s) | Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations |
| Air Act | The Air (Prevention and Control of Pollution) Act, 1981 |
| ASBA | Applications Supported by Blocked Amount |
| Authorized Dealers | Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000 |
| Category I Foreign Portfolio Investor(s) | FPIs are registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations. |
| Category II Foreign Portfolio Investor(s) | An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations. |
| Category III Foreign Portfolio Investor(s) | FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals, and family offices. |
| CAN | Confirmation of Allocation Note |
| CDSL | Central Depository Services (India) Limited |
| CGST | Central GST |
| COPRA | The Consumer Protection Act, 2019 |
| Companies Act, 2013 | Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications, and modifications thereunder. |



| Term | Description |
|-------------------------------------|---|
| Consolidated FDI Policy | The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time. |
| Contract Act | The Indian Contract Act, 1872 |
| CSR | Corporate Social Responsibility |
| Depositories Act | The Depositories Act, 1996 |
| Depository | A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 |
| DIN | Director Identification Number |
| DIPP | Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI |
| DP | Depository Participant |
| DP ID | Depository Participant's identity number |
| DTC | Direct Tax Code, 2013 |
| EBITDA | Earnings Before Interest, Tax, Depreciation and Amortization |
| EBITDA | EBITDA divided by Revenue from Operations |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| Electricity Act | The Electricity Act, 2003 |
| Environment Protection Act | The Environment (Protection) Act, 1986 |
| EPA | The Environment Protection Act, 1986 |
| EPF Act | The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 |
| EPS | Earnings per share |
| e-RUPI | Prime Minister Narendra Modi launched a contactless, prepaid, electronic prepaid system. |
| ER Act | The Equal Remuneration Act, 1976 |
| ESI Act | The Employees' State Insurance Act, 1948 |
| FCNR Account | Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA |
| FDI | Foreign direct investment |
| FEMA | The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder |
| FEMA 2000 | The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 |
| FII(s) | Foreign Institutional Investors as defined under SEBI FPI Regulations |
| Financial Year / Fiscal Year / FY | The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year |
| FIPB | Foreign Investment Promotion Board |
| Foreign Portfolio Investors or FPIs | A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India. |
| FVCI | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI. |
| GAAP | Generally Accepted Accounting Principles |
| GIR Number | General Index Registry Number |
| GoI / Government | Government of India |
| Gratuity Act | The Payment of Gratuity Act, 1972 |
| GST Act | The Central Goods and Services Tax Act, 2017 |
| Hazardous Wastes Rules | Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 |
| ICAI | The Institute of Chartered Accountants of India |
| ICSI | The Institute of Company Secretaries of India |
| ID Act | The Industrial Disputes Act, 1947 |
| IDRA | The Industrial (Development and Regulation) Act, 1951 |
| IE Act | The Indian Easements Act, 1882 |
| ITEM | Industrial Entrepreneurs Memorandum |
| IFRS | International Financial Reporting Standards |
| IFSC | Indian Financial System Code |
| IGST | Integrated GST |



| Term | Description |
|--------------------------------|---|
| IT Act | Income Tax Act, 1961 |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| INR or Rupee or ₹ or Rs. | Indian Rupee, the official currency of the Republic of India |
| Insider Trading Regulations | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. |
| IPO | Initial Public Offering |
| ISIN | International Securities Identification Number |
| KMP | Key Managerial Personnel |
| Ltd. | Limited |
| Maternity Benefit Act | Maternity Benefit Act, 1961 |
| M. A | Master of Arts |
| M.B. A | Master of Business Administration |
| M.B.B.S. | Bachelor of Medicine & Bachelor of Surgery |
| MCA | The Ministry of Corporate Affairs, GoI |
| M.Com | Master of Commerce |
| MCI | Ministry of Commerce and Industry, GoI |
| Mill & Fill | Removing the existing surface layer with a milling machine and then transporting the material to a storage facility |
| MSME | Micro, Small and Medium Enterprise |
| MSMED Act | The Micro, Small and Medium Enterprises Development Act, 2006 |
| MWA | Minimum Wages Act, 1948 |
| MoEF | Ministry of Environment and Forests |
| MoF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| Mutual Funds | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| Net worth | Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. |
| NI Act | The Negotiable Instruments Act, 1881 |
| Noise Regulation Rules | The Noise Pollution (Regulation & Control) Rules 2000 |
| Notified Sections | The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect |
| NPV | Net Present Value |
| NR / Non-resident | A person resident outside India, as defined under the FEMA and includes a Non-resident Indian |
| NRE Account | Non-Resident External Account established and operated in accordance with the FEMA. |
| NRIs | Non-Resident Indians |
| NRO Account | Non-Resident Ordinary Account established and operated in accordance with the FEMA. |
| NSDL | National Securities Depository Limited |
| OCB | Overseas Corporate Bodies |
| Pcs | Pieces |
| P/E Ratio | Price / Earnings Ratio |
| PAN | Permanent account number |
| Petroleum Act | Petroleum Act, 1934 |
| Petroleum Rules | Petroleum Rules, 1976 |
| PAT | Profit after Tax |
| PAT Margin | PAT for the period/year divided by revenue from operations |
| PIL | Public Interest Litigation |
| POB Act | Payment of Bonus Act, 1965 |
| PPP | Public Private Partnership |
| Public Liability Act / PLI Act | The Public Liability Insurance Act, 1991 |
| Pvt. / (P) | Private |
| PWD | Public Works Department of state governments |



| Term | Description |
|-------------------------------|--|
| QFI(s) | Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations |
| QIC | Quarterly Income Certificate |
| RBI | The Reserve Bank of India |
| R&D | Research & Development |
| Registration Act | The Indian Registration Act, 1908 |
| RoC or Registrar of Companies | The Registrar of Companies |
| ROCE | Return on Capital Employed |
| ROE | Return on Equity |
| RONW | Return on Net worth |
| RTGS | Real Time Gross Settlement |
| Rule 144A | Rule 144A under the U.S. Securities Act, 1933 |
| 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 |
| SEBI (ICDR) Regulations | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time |
| SEBI (LODR) Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time |
| SEBI Act | The Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 |
| Sec. | Section |
| SGST | State GST |
| SHWW / SHWW Act | The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985 |
| SME | Small and Medium Enterprise |
| STT | Securities Transaction Tax |
| SEBI Takeover Regulations | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time. |
| TAN | Tax Deduction Account Number |
| TM Act | The Trademarks Act, 1999 |
| U.S. GAAP | Generally Accepted Accounting Principles in the United States of America |
| U.S. Securities Act | The United States Securities Act, 1933 |
| US\$ or USD or US Dollars | United States Dollar, the official currency of the United States of America |
| USA or U.S. or US | United States of America |
| VAT | Value Added Tax |
| Wages Act | Payment of Wages Act, 1936 |
| Water Act | The Water (Prevention and Control of Pollution) Act, 1974 |
| WCA | The Workmen's Compensation Act, 1923 |
| Wilful Defaulter | A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. |

ISSUE RELATED TERMS

| Term | Description |
|----------------------|--|
| Abridged Prospectus | Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form. |
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form. |



| Term | Description |
|--|--|
| Allocation / Allocation of Equity Shares | Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue. |
| Allot / Allotment / Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants. |
| Allotment Advice | A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange |
| Allottee(s) | A successful Applicant(s) to whom the Equity Shares are being / have been allotted. |
| Anchor Investor(s) | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200.00 Lakhs. |
| Anchor Investor Allocation Price | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period. |
| Anchor Investor Application Form | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus. |
| Anchor Investor Bid/ Issue Period | One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed. |
| Anchor Investor Issue Price | The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager. |
| Anchor Investor Portion | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. 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 accordance with the SEBI ICDR Regulations. |
| Applicant / Investor | Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form. |
| Application | An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations. |
| Application Form | The Form in terms of which the applicant shall apply for the Equity Shares of the Company. |
| Application Supported by Blocked Amount / ASBA | An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism. |
| ASBA Account | A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant. |
| ASBA Applicant(s) | Any prospective investors in the Issue who intend to submit the Application through the ASBA process. |
| ASBA Application / Application | An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus. |
| Bankers to the Company | Such banks which are disclosed as Bankers to our Company in the chapter titled <i>“General Information”</i> on the page.65 of this Red Herring Prospectus. |
| Bankers to the Issue / Refund Banker | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being Axis Bank Limited |



| Term | Description |
|---|---|
| Bankers to the Issue Agreement | Bank which is a clearing member and registered with SEBI as Banker to the Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited. |
| Basis of Allotment | The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, is described in <i>“Issue Procedure”</i> on page 250 of this Red Herring Prospectus. |
| Bid | An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly. |
| Bid Amount | The highest value of optional Bids is indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price is multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue. |
| Bid/ Issue Closing Date | Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches, and the Registered Brokers shall not accept the Bids, which shall be notified in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Delhi edition of Pratah Kiran, (Hindi also being the regional language of Delhi, where our registered office is situated), each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB's and Sponsor Bank, as required under the SEBI ICDR Regulations. |
| Bid/ Issue Opening Date | Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches, and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Delhi edition of Pratah Kiran , (Hindi also being the regional language of Delhi, where our registered office is situated) each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations. |
| Bid/ Issue Period | Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders. |
| Bidder/ Applicant | Any prospective investor who makes a bid pursuant to the terms of this Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor. |
| Bidding | The process of making a Bid. |
| Book Building Process/ Book Building Method | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made. |
| BRLM / Book Running Lead Manager | Book Running Lead Manager to the Issue in this case being Gretex Corporate Services Limited, SEBI Registered Category-I Merchant Banker. |
| Bidding/ Collection Centres | Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centres for registered brokers, designated RTA Locations for RTAs, and designated CDP locations for CDPs. |
| Broker Centres | Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of Stock Exchanges (www.bseindia.com and www.nseindia.com) and are updated from time to time. |



| Term | Description |
|---|---|
| Business Day | Monday to Friday (except public holidays) |
| CAN / Confirmation of Allocation Note | Confirmation of Allocation Note / the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange. |
| Cap Price | The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted. |
| Circular's on Streamlining of Public Issues | Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard. |
| Client ID | Client identification number of the Applicant's beneficiary account. |
| 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. |
| Collecting Registrar and Share Transfer Agent | Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/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 Applicants with the Registrar to the Issue and Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. |
| Cut Off Price | The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the Book Running Lead Manager. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price. |
| Demographic Details | The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details and UPI ID wherever applicable. |
| Depository / Depositories | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). |
| Depository Participant / DP | A depository participant as defined under the Depositories Act, 1996. |
| Designated CDP Locations | Such locations of the CDPs where Applicants 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 (www.nseindia.com) |
| Designated Date | The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue. |
| Designated Intermediaries / Collecting Agent | <p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p> |



| Term | Description |
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| | In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. |
| Designated Market Maker / Market Maker | In our case, Gretex Share Broking Limited having its registered office at A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (W) Delisle Road, Mumbai 400013, Maharashtra, India. |
| Designated RTA Locations | Such locations of the RTAs where Applicants can submit the Application 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 website of the Stock Exchange (www.bseindia.com and www.nseindia.com) and are updated from time to time |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/ or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange / Stock Exchange | Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”). |
| Draft Red Herring Prospectus | This Draft Red Herring Prospectus dated September 10, 2024 filed with the Emerge, Platform of National Stock Exchange of India Limited (“NSE Emerge”) in accordance with the SEBI ICDR Regulations. |
| DP | Depository Participant |
| DP ID | Depository Participant’s Identity number |
| Eligible FPIs | FPIs that are eligible to participate in this issue in terms of applicable laws, other than individuals, corporate bodies, and family offices. |
| Eligible NRI | NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants. |
| Eligible QFIs | QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants. |
| Electronic Transfer of Funds | Refunds through ECS, NEFT, Direct Credit, or RTGS as applicable |
| Equity Shares | Equity Shares of our company of face value ₹ 10.00 each |
| Equity Listing Agreement | The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares. |
| Escrow Account(s) | Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement. |
| Escrow and Sponsor Bank Agreement | Agreement dated June 14, 2025 entered amongst the Company, Book Running Lead Manager, the Registrar, the Banker to the Issue and Sponsor bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account. |
| FII / Foreign Institutional Investors | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India. |
| First / Sole Applicant | Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names. |
| Fresh Issue / Issue/ Public Issue/ Issue Size/ Initial Public offer/ Initial Public offering/ IPO/Present Issue | Fresh Issue of up to 19,05,600* Equity Shares of face value ₹ 10.00 each of Silky Overseas Limited for cash at a price of ₹ [●] per Equity Shares (including premium of ₹ [●] per Equity Shares) aggregating ₹ [●] Lakhs, by our Company. <i>* Subject to Finalization of Basis of Allotment</i> |
| Floor Price | The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids will be accepted. |
| Foreign Venture Capital Investors | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000. |
| FPI/ Foreign Portfolio Investor | A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, |



| Term | Description |
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| | provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended. |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018. |
| General Corporate Purposes | Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document. |
| General Information Document | The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) page October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. |
| Gross Proceeds | The Issue proceeds from the Fresh Issue. |
| Internal Complaints Committee | The Internal Complaints Committee of our Board constituted in accordance with the Companies Act, 2013 as described in chapter titled <i>“Our Management”</i> beginning on page 166 of this Red Herring Prospectus. |
| Issue / Public Issue / Issue size / Initial Public Offer / Initial Public Offering / IPO / Present Issue | Public Issue of upto 19,05,600* Equity Shares of face value ₹10.00 each of Silky Overseas Limited for cash at a price of ₹ [●] per Equity Shares (including premium of per ₹ [●] Equity Shares) aggregating ₹ [●] Lakhs by our Company. * <i>Subject to Finalization of Basis of Allotment</i> |
| Issue Agreement | The agreement dated July 05, 2024 and addendum dated June 14, 2025 entered between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Closing Date | The date on which the Issue closes for subscription. |
| Issue Opening Date | The date on which the Issue opens for subscription. |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective bidders can submit their applications, including any revisions thereof |
| Issue Price | The Final Price at which Equity Shares will be allotted to ASBA Bidders in terms of the Red Herring Prospectus. The Equity Shares will be allotted to Anchor Investors at Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the Book Running Lead Manager on the pricing date in accordance with the Book Building Process and the Red Herring Prospectus. |
| Issue Proceeds | The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled <i>“Objects of the Issue”</i> beginning on the page 87 of this Red Herring Prospectus. |
| Listing Agreement | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the Stock Exchange. |
| Lot Size | The Market lot and Trading lot for the Equity Share is 800 and in multiples of 800 thereafter; subject to a minimum allotment of 800 Equity Shares to the successful applicants. |
| Market Making Agreement | Market Making Agreement dated July 05, 2024, and addendum dated June 14, 2025 between our Company, the Book Running Lead Manager and Market Maker. |



| Term | Description |
|---|---|
| Market Maker Reservation Portion | Upto 3,13,600 Equity Shares of ₹10.00 each at ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs reserved for subscription by the Market Maker. |
| Mobile App(s) | The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism. |
| Minimum Promoters' Contribution | Aggregate of 20% of the fully diluted Post- Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20% and locked-in for a period of three years from the date of Allotment. |
| Mutual Fund | A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended. |
| Mutual Fund Portion | 5% of the Net QIB Portion, or upto [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price |
| National Payments Corporation of India (NPCI) | NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA). |
| NSE Emerge | Emerge Platform of National Stock Exchange Limited ("NSE Emerge") |
| National Investment Fund / NIF | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India. |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) of up to 15,92,000 Equity Shares of face value of ₹ 10.00 each fully paid up for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakhs by our Company. |
| Net Proceeds | Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses. |
| Net QIB Portion | The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors. |
| Non-Institutional Investors / NIIs | All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹ 2.00 Lakhs (but not including NRIs other than Eligible NRIs). |
| Non-Resident | A person resident outside India, as defined under FEMA Regulations |
| Non-Resident Indian / NRI | A person resident outside India, who is a citizen of India, or a Person of Indian Origin as defined under FEMA Regulations, as amended |
| Other Investor | Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |
| OCB / Overseas Corporate Body | Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue |
| Pay-in-Period | The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date. |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable. |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Price Band | Price Band of a minimum price (Floor Price) of ₹ 153.00 and the maximum price (Cap Price) of ₹ 161.00 and includes revisions thereof. The Price Band will be decided by our Company in consultation with the Book Running Lead Manager and advertised in two national daily newspapers (one each in English and in |



| Term | Description |
|---|---|
| | Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date. |
| Pricing Date | The date on which our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price. |
| Prospectus | The Prospectus to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information. |
| Public Issue Account | The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date. |
| QIB Category/ QIB Portion | The portion of the Net Issue (including the Anchor Investor Portion) being upto [●] not more than 50% of the Net Issue, consisting of upto [●] Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Manager), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors). |
| Qualified Institutional Buyers or QIBs | A Qualified Institutional Buyer as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018. |
| Red Herring Prospectus / RHP | <p>The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.</p> <p>The Red Herring Prospectus will be filed with the Registrar of Companies at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the Registrar of Companies after the Pricing Date.</p> |
| Refund Bank/ Refund Banker | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being Axis Bank Limited. |
| Refund Account | The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made. |
| Registered Brokers | Stockbrokers registered with the stock exchanges having nationwide terminals. |
| Registrar Agreement | The Agreement between the Registrar to the Issue and the Issuer Company dated July 05, 2024 and addendum to this agreement dated June 14, 2025, in relation to the responsibilities and obligations of the Registrar to the Issue 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 to the Issue | Registrar to the Issue being Skyline Financial Services Private Limited |
| Retail Individual Investors / RIIs | Applicants (including HUFs, in the name of Karta and Eligible NRIs does not include NRIs other than Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹ 2.00 Lakh. |
| Revision Form | <p>Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).</p> <p>QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.</p> |
| Securities laws | Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder, and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board. |
| SME Exchange | Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") |



| Term | Description |
|--|---|
| Specified Locations | Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time. |
| Specified Securities | Equity shares offered through this Red Herring Prospectus. |
| Sub Syndicate Member | A SEBI Registered member of National Stock Exchange of India Limited appointed by the Book Running Lead Manager and/ or syndicate member to act as a Sub Syndicate Member in the Issue. |
| Syndicate | Includes the Book Running Lead Manager, Syndicate Members and Sub Syndicate Members |
| Syndicate Agreement | The agreement dated June 14, 2025 entered amongst our Company, the Book Running Lead Manager and the Syndicate Members, in relation to the collection of Bids in this Issue. |
| Syndicate ASBA Bidding Locations | Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi. |
| Syndicate Members/ Members of the Syndicate | Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Gretex Share Broking Limited. |
| Systemically Important Nonbanking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations. |
| SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI (Venture Capital) Regulations | Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time. |
| Sponsor Bank | The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being Axis Bank Limited. |
| Transaction Registration Slip/ TRS | The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application. |
| Underwriter | Gretex Corporate Services Limited and Gretex Share Broking Limited. |
| Underwriting Agreement | The agreement dated July 05, 2024, and addendum dated June 14, 2025 entered into between the Underwriters, our Company and the Book Running Lead Manager. |
| UPI Circulars | SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022.and any subsequent circulars or notifications issued by SEBI in this regard. |
| 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. |
| UP ID | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI) |



| Term | Description |
|----------------------------|--|
| UPI ID Linked bank account | Account of the RIIs, Applicant in the Issue using the UPI mechanism, which will be blocked upon acceptance of UPI Mandate request by RIIs to the extent of the appropriate Application Amount and subsequent debit of funds in case of Allotment |
| UPI Investors | Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion and (ii) Non-Institutional Applicant with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and application under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity) |
| UPI Mandate Request | A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII 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 RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (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 08, 2019. |
| UPI PIN | Password to authenticate UPI transaction. |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended. |
| Venture Capital Fund/ VCF | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India |
| Working Days | All days on which commercial banks in Delhi are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Delhi are open for business; (c) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI. |

ISSUER RELATED TERMS

| Term | Description |
|--|--|
| AOA / Articles / Articles of Association | Unless the context otherwise requires, refer to the Articles of Association of Silky Overseas Limited as amended from time to time. |
| Audit Committee | The Audit Committee of our Company is constituted in accordance with Section 177 of the Companies Act, 2013 and as described in the chapter titled “ Our Management ” beginning on page 166 of this Red Herring Prospectus. |
| Auditor of our Company / Statutory Auditor | The Statutory Auditors of our Company, being M/s. Manish Pandey & Associates, Chartered Accountants (Firm Registration No. as 019807C) holding a peer review certificate valid till February 28, 2026 as mentioned in the section |



| Term | Description |
|--|--|
| | titled “General Information” beginning on page 65 of this Red Herring Prospectus. |
| Banker to our Company | Bank of Baroda as disclosed in the section titled “General Information” beginning on page 65 of this Red Herring Prospectus. |
| Board / Board of Directors / Our Board | The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our directors, please refer to chapter titled “Our Management” beginning on page 166 of this Red Herring Prospectus. |
| CIN / Corporate Identification Number | U17110DL2016PLC298888 |
| Chief Financial Officer / CFO | The Chief Financial Officer of our Company as mentioned in the chapter titled “General Information” beginning on page 65 of this Red Herring Prospectus. |
| Company Secretary & Compliance Officer | The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “General Information” beginning on page 65 of this Red Herring Prospectus. |
| Director(s) / our directors | Director(s) of our company unless otherwise specified |
| Depositories Act | The Depositories Act, 1996, as amended from time to time |
| Depositories | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). |
| Equity Shares / Shares | The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof. |
| Equity Shareholders / Shareholders | Persons / Entities holding Equity Shares of the Company |
| Executive Directors | An Executive Director of our Company, as appointed from time to time. For details, see section titled “Our Management” on page 166 of this Red Herring Prospectus. |
| Financial Statements as Restated | The financial information of the Company which comprises of the Restated Statement of Assets and Liabilities for the Ten months period ended on January 31, 2025 and Financial Year ended on March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit and Loss and the Restated Cash Flow Statement for the Ten months period ended on January 31, 2025 and Financial Year ended on March 31, 2024, March 31, 2023 and March 31, 2022, and the related notes, schedules and annexures thereto included in this Red Herring Prospectus, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations. |
| Fugitive economic offender | Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018) |
| Group Companies / Entities | Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer “Our Group Companies” on page 192 of this Red Herring Prospectus. |
| HNI | High Net worth Individual |
| HUF | Hindu Undivided Family |
| IBC | The Insolvency and Bankruptcy Code, 2016 |
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| Independent Directors | Independent directors on the Board, and eligible to be appointed as an independent director under the Section 2(47) of the Companies Act, 2013 and under SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled “Our Management” beginning on page 166 of this Red Herring Prospectus. |
| ISIN | International Securities Identification Number, being INE0SN801015 |
| IT Act | The Income Tax Act, 1961 as amended till date. |
| JV/ Joint Venture | A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities. |
| Key Management Personnel / KMP | Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled “Our Management” beginning on page 166 of this Red Herring Prospectus. |
| Key Performance Indicators / KPI | Key factors that determine the performance of our Company |



| Term | Description |
|--|---|
| LLP | Limited Liability Partnership incorporated under Limited Liability Partnership Act, 2008. |
| CMD or Managing Director | The Chairman and Managing Director of our Company is Mr. Sawar Mal Goyal. |
| Materiality Policy | The policy on identification of Group Companies, Material Creditors and Material Litigation, adopted by our Board on July 05, 2024, in accordance with the requirements of the SEBI (ICDR) Regulations. |
| MoA / Memorandum of Association | The Memorandum of Association of our Company, as amended from time to time |
| Non-Executive Director | The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled “Our Management” on page 166 of this Red Herring Prospectus. |
| NRIs/ Non-Resident Indians | A person resident outside India, as defined under Foreign Exchange Management Act 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. |
| Nomination & Remuneration Committee | The Nomination and Remuneration Committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled “Our Management” beginning on page 166 of this Red Herring Prospectus. |
| Peer Reviewed Auditors and Statutory Auditor | The Peer Review Auditors of our Company, being M/s. Manish Pandey & Associates, Chartered Accountants (Firm Registration No. as 019807C) holding a peer review certificate valid till February 28, 2026. |
| Promoter(s) | Promoters of our Company are Mr. Sawar Mal Goyal Mr. Ananya Goyal and M/s. S.M. Goyal & Sons (HUF). For further details, please refer to section titled “Our Promoters & Promoter Group” on page 187 of this Red Herring Prospectus. |
| Promoter Group | The entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see “Our Promoters and Promoter Group” on page 187 of this Red Herring Prospectus. |
| Person / Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Registered Office | F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, Northwest Delhi, Delhi-110052, India |
| RoC / Registrar of Companies | 4 th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019 |
| Senior Management Personnel/ SMP | Senior management of our Company in terms of the SEBI ICDR Regulations. For details, see “Our Management” on page 166 of this Red Herring Prospectus. |
| Stakeholders’ Relationship Committee | The Stakeholder’s Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled “Our Management” beginning on page 166 of this Red Herring Prospectus. |
| Stock Exchange | Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”). |
| Shareholders | Shareholders of our Company from time to time |
| Wilful Defaulter or Fraudulent Borrower | A wilful defaulter or a fraudulent borrower as defined in Regulation 2(1) (III) of the SEBI ICDR Regulations. |
| You or Your or Yours | Prospective Investors in this Issue. |

TECHNICAL / INDUSTRY RELATED TERMS

| Term | Full Form |
|------|--------------------------------|
| WEO | World Economic Outlook |
| HFI | High-Frequency Indicators |
| GDP | Gross domestic product |
| US | United States |
| CAD | Current account deficit |
| GST | Goods and Services Tax |
| IIP | Index of Industrial Production |

| | |
|---------|--|
| MoSPI | Ministry of Statistics & Programme Implementation |
| CPI | Consumer Price Index |
| FPI | Foreign Portfolio Investment |
| MMF | Manmade fiber |
| RMG | Ready-made garment |
| PLI P | Production linked incentive |
| FDI | Foreign Direct Investment |
| SAMARTH | Scheme for capacity building in textile sector |
| RoSCTL | Rebate of State and Central Taxes and Levies |
| RoDTEP | Remission of Duties and Taxes on Exported Products |
| EPCs | Exports Promotion Councils |

ABBREVIATIONS

| Abbreviation | Full Form |
|----------------------------|--|
| AS / Accounting Standard | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| A/c | Account |
| AGM | Annual General Meeting |
| ASBA | Applications Supported by Blocked Amount |
| Amt | Amount |
| AIESEC | Association Internationale des Etudiants en Sciences Economiques et Commerciales |
| AIF | Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended. |
| AY | Assessment Year |
| AOA | Articles of Association |
| Approx | Approximately |
| B. A | Bachelor of Arts |
| BBA | Bachelor of Business Administration |
| B. Com | Bachelor of Commerce |
| B. E | Bachelor of Engineering |
| B. E. S. T. | The Brihan mumbai Electric Supply & Transport Undertaking. |
| B. Sc | Bachelor of Science |
| B. Tech | Bachelor of Technology |
| Bn | Billion |
| BG / LC | Bank Guarantee / Letter of Credit |
| BIFR | Board for Industrial and Financial Reconstruction |
| CDSL | Central Depository Services (India) Limited |
| CAGR | Compounded Annual Growth Rate |
| CAN | Confirmation of Allocation Note |
| CA | Chartered Accountant |
| CB | Controlling Branch |
| CC | Cash Credit |
| CCI | The Competition Commission of India |
| CFO | Chief Financial Officer |
| CGST | Central GST |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| CS | Company Secretary |
| CSR | Corporate social responsibility. |
| CS & CO | Company Secretary & Compliance Officer |
| CENVAT | Central Value Added Tax |
| CST | Central Sales Tax |
| CWA / ICWA | Cost and Works Accountant |
| CMD | Chairman and Managing Director |
| Depository or Depositories | NSDL and CDSL |
| DIN | Director Identification Number |
| DIPP | Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India |
| DP | Depository Participant |



| Abbreviation | Full Form |
|---------------------------------|--|
| DP ID | Depository Participant's Identification Number |
| EBITDA | Earnings Before Interest, Taxes, Depreciation & Amortisation |
| ECS | Electronic Clearing System |
| ESIC | Employee's State Insurance Corporation |
| EPS | Earnings Per Share |
| EGM / EOGM | Extraordinary General Meeting |
| NSE Emerge | Emerge Platform of National Stock Exchange India Limited ("NSE Emerge") |
| ESOP | Employee Stock Option Plan |
| EXIM / EXIM Policy | Export – Import Policy |
| FCNR Account | Foreign Currency Non-Resident Account |
| FIPB | Foreign Investment Promotion Board |
| FY / Fiscal / Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| FEMA | Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under. |
| FCNR Account | Foreign Currency Non-Resident Account |
| FBT | Fringe Benefit Tax |
| FDI | Foreign Direct Investment |
| FIs | Financial Institutions |
| FIIs | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FPIs | "Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992. |
| FTA | Foreign Trade Agreement. |
| FVCI | Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000. |
| FV | Face Value |
| GoI / Government | Government of India |
| GDP | Gross Domestic Product |
| GAAP | Generally Accepted Accounting Principles in India |
| GST | Goods and Service Tax |
| GVA | Gross Value Added |
| HUF | Hindu Undivided Family |
| ICAI | The Institute of Chartered Accountants of India |
| ICAI(Previously known as ICWAI) | The Institute of Cost Accountants of India |
| IMF | International Monetary Fund |
| INR / Rupees / Rs. | Indian Rupees, the legal currency of the Republic of India |
| IIP | Index of Industrial Production |
| IPO | Initial Public Offer |
| ICSI | The Institute of Company Secretaries of India |
| IFRS | International Financial Reporting Standards |
| HNI | High Net worth Individual |
| i.e | That is |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| IT Authorities | Income Tax Authorities |
| IT Rules | Income Tax Rules, 1962, as amended, except as stated otherwise |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| IRDA | Insurance Regulatory and Development Authority |
| KMP | Key Managerial Personnel |
| BRLM | Book Running Lead Manager |
| Ltd. | Limited |
| MAT | Minimum Alternate Tax |
| MoF | Ministry of Finance, Government of India |
| M-o-M | Month-On-Month |

| Abbreviation | Full Form |
|--------------------|--|
| MOU | Memorandum of Understanding |
| M. A | Master of Arts |
| M. B. A | Master of Business Administration |
| M. Com | Master of Commerce |
| Mn | Million |
| M. E | Master of Engineering |
| MRP | Maximum Retail Price |
| M. Tech | Masters of Technology |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MAPIN | Market Participants and Investors Database |
| MSMEs | Micro, Small and Medium Enterprises |
| MoA | Memorandum of Association |
| MRP | Maximum Retail Price |
| NA | Not Applicable |
| NEFT | National Electronic Funds Transfer |
| NECS | National Electronic Clearing System |
| NAV | Net Asset Value |
| NPV | Net Present Value |
| NRI | Non-Resident Indians |
| NRE Account | Non-Resident External Account |
| NRO Account | Non-Resident Ordinary Account |
| NOC | No Objection Certificate |
| NSDL | National Securities Depository Limited |
| OCB | Overseas Corporate Bodies |
| P.A. | Per Annum |
| PF | Provident Fund |
| PG | Postgraduate |
| PAC | Persons Acting in Concert |
| P / E Ratio | Price / Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PBT | Profit Before Tax |
| PLI | Postal Life Insurance |
| POA | Power of Attorney |
| PSU | Public Sector Undertaking(s) |
| Pvt. | Private |
| RBI | The Reserve Bank of India |
| ROE | Return on Equity |
| R&D | Research & Development |
| RONW | Return on Net worth |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time |
| SCSB | Self-Certified Syndicate Banks |
| SEBI | Securities and Exchange Board of India |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time |
| SME | Small and Medium Enterprises |
| STT | Securities Transaction Tax |
| Sec. | Section |
| TAN | Tax Deduction Account Number |
| TRS | Transaction Registration Slip |
| TIN | Taxpayers Identification Number |
| US / United States | United States of America |
| UPI | Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs |
| USD / US\$ / \$ | United States Dollar, the official currency of the United States of America |



| Abbreviation | Full Form |
|----------------------------|--|
| VCF / Venture Capital Fund | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |
| VAT | Value Added Tax |
| w.e.f. | With effect from |
| YoY | Year over Year |

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Special Tax Benefits*”, “*Industry Overview*”, “*Regulations and Policies in India*”, “*Financial Information of the Company*”, “*Outstanding Litigations and Material Developments*” and “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

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

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company” and “Silky Overseas”, “SOL”, unless the context otherwise indicates or implies, refer to Silky Overseas Limited.

CERTAIN CONVENTION

All references in this Red Herring Prospectus to “India” are to the Republic of India. In this Red Herring Prospectus, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

FINANCIAL DATA

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from our Audited Restated Financial Statements for the ten months period ended on January 31, 2025 and Financial Year ended on March 31, 2024, March 31, 2023 and March 31, 2022, prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on “*Reports in Company Prospectus (Revised 2019)*” issued by ICAI and the Indian GAAP which are included in this Red Herring Prospectus, and set out in “*Financial Statements as Restated*” on the page 195 of this Red Herring Prospectus.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to two decimal places and all percentage figures have been rounded off to two decimal places accordingly there may be consequential changes in this Red Herring Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that calendar year, so all references to a particular financial year are to the 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Financial Statements included in this 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, Indian GAAP, IND (AS), the Companies Act, and the SEBI (ICDR) Regulations, on the Restated Financial Statements presented in this Red Herring Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Red Herring Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled ‘*Financial Statements as Restated*’ beginning on the page 195 of this Red Herring Prospectus.

For additional definitions used in this Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on the page 4 of this Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 283 of this Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

CURRENCY AND UNITS OF PRESENTATION

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

- (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India;
- (b) ‘US Dollars’ or ‘US \$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

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



Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Red Herring Prospectus, unless otherwise indicated, have been calculated based on our financial statements as restated prepared in accordance with Indian GAAP.

DEFINITIONS

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page 4 of this Red Herring Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page 283 of this Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Red Herring Prospectus has been obtained or derived from Internal Company reports and industry and Government publications, publicly available information, and sources. Industry and Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified either by the Company or the Book Running Lead Manager, or any of their respective affiliates or advisors.

Further, the extent to which the industry and market data presented in this 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. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI (ICDR) Regulations, “*Basis for Issue Price*” on page 98 of this Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we nor the Book Running Lead Manager have independently verified such information. Such data involves risks, uncertainties, and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 34 of this Red Herring Prospectus.

EXCHANGE RATES

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

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

| Currency | As on January 31, 2025 | As on March 31, 2024 | As on March 31, 2023 | As on March 31, 2022 |
|----------|---------------------------|-------------------------|-------------------------|-------------------------|
| 1 USD | 86.64 INR | 82.99 INR | 82.17 INR | 75.78 INR |

Source: www.fbil.org.in

Source: www.rupeerates.in

All figures are rounded up to two decimals

TIME

All references to time in this Red Herring Prospectus are to Indian Standard Time. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Red Herring Prospectus are to a calendar year.

FORWARD-LOOKING STATEMENTS

All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans, and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects, and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward-looking statements (whether made by us or any third party) are predictions and 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.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the our Sector in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Performance of the Textile industry in India, generally.
- Geographical concentration of business to key cities.
- Failure to obtain, maintain, or renew our statutory and regulatory approvals, licenses, and registrations required to operate our business.
- Significant increases in prices of, or shortages of, or disruption in the supply of labour and key building materials;
- Our reliance on the internet network and our ability to utilize systems in an uninterrupted manner;
- Our ability to attract, retain and manage qualified personnel;
- Dependencies on our suppliers, distributors, and employees to fulfil their obligations.
- Changes in government policies and regulatory actions that apply to or affect our business.
- Failure to adapt to the changing scenarios in our industry of operation may adversely affect our business and financial condition;
- General economic and business conditions in India and other countries;
- Our ability to successfully implement our growth strategy and expansion plans, technological changes;
- Changes in fiscal, economic, or political conditions in India;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices, or other rates or prices;
- The occurrence of natural disasters or calamities;
- Changes in the value of the Rupee and other currencies;
- Inability to manage costs successfully;

- Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please see the section titled “**Risk Factors**”, chapters titled “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 34 , 123 and 196 of this Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflects views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Book Running Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

SECTION II: SUMMARY OF ISSUE DOCUMENT

The following is a general summary of the terms of the Offer included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections titled **“Risk Factors”, “The Issue”, “Summary of Financial Informations”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Outstanding Litigation and Other Material Developments”** and **“Issue Procedure”** on pages 34, 59, 61, 77, 87, 107, 123, 187, 217 and 250 respectively of this Red Herring Prospectus.

A. OVERVIEW OF BUSINESS

We are dedicated manufacturers and suppliers of bedding essentials, specializing in blankets, bed sheets, comforters, and more. Our integrated manufacturing process encompasses knitting, dyeing, processing, printing, and packaging, all under one roof. This ensures efficient bulk production without compromising on the quality that guarantees comfort and luxury throughout the night, allowing you to wake up revitalized and ready to embrace each day with vigour. Our diverse product portfolio includes a range of crafted items such as blankets, baby blankets, comforters, bedsheets and curtains. These products are thoughtfully designed and curated by our team of experienced professionals and designers, utilizing adequate machinery and techniques.

For a detailed overview of our industry, please refer section titled **“Our Business”** on page 123 of this Red Herring Prospectus.

B. OVERVIEW OF INDUSTRY

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.

For a detailed overview of our industry, please refer section titled **“Industry Overview”** on page 107 of this Red Herring Prospectus.

C. OUR PROMOTERS

As of date of filing of this Red Herring Prospectus our company is promoted by Mr. Sawar Mal Goyal, Mr. Ananya Goyal and M/s. S. M. Goyal & Sons (HUF).

For detailed information please refer to Chapter **“Our Promoters and Promoter Group”** on page 187 of the Red Herring Prospectus.

D. DETAILS OF THE ISSUE

| | |
|--|---|
| Equity Shares Offered Present Issue of Equity Shares by our Company. | Issue of up to 19,05,600* Equity Shares of ₹ 10.00 each for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●]. |
| Out of which: | |
| Market Maker Reservation Portion | Upto 3,13,600 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●]. |
| Net Issue to the Public | Upto 15,92,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●]. |

* Subject to finalization of the Basis of Allotment

The Offer has been authorised pursuant to the resolutions dated June 02, 2024 and June 11, 2024, passed by the Board and Shareholders of the Company respectively

E. OBJECT OF THE ISSUE

The Net Proceeds of the Issue are proposed to be used in accordance with the details provided in the following table:
(₹ in Lakhs)



| Particulars | Amount |
|--|------------|
| Setting up of Additional Storage Facility | 429.96 |
| Repayment/Pre-payment of Certain Debt Facilities | 300.00 |
| Working Capital Requirement | 1,200.00 |
| General Corporate Purpose*^ | [●] |
| Total | [●] |

*To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

^General Corporate Purpose shall not exceed 25% of the Gross Offer Proceeds.

For further details, refer chapter titled “Objects of the Offer”, beginning on page 87 of this Red Herring Prospectus.

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

| Sr. No. | Particulars | Pre-Issue | |
|---------|--------------------------------|------------------|--------------|
| | | No. of Shares | % Holding |
| | Promoters (A) | | |
| 1. | Mr. Sawar Mal Goyal | 27,54,200 | 61.73 |
| 2. | Mr. Ananya Goyal | 9,00,000 | 20.17 |
| 3. | M/s. S.M. Goyal and Sons (HUF) | 2,00,000 | 4.48 |
| | Total (A) | 38,54,200 | 86.38 |
| | Promoter Group (B) | | |
| | | | |
| 1. | Mr. Sanjay Goyal | 100 | 0.00 |
| 2. | Ms. Shalu Goyal | 100 | 0.00 |
| 3. | Ms. Somuya Goyal | 100 | 0.00 |
| | Total (B) | 300 | 0.00 |
| | Total (A) +(B) | 38,54,500 | 86.38 |

G. FOR THE PROMOTER(S), PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS, THE PRE-ISSUE AND POST-ISSUE SHAREHOLDING AS AT ALLOTMENT, IN THE FOLLOWING FORMAT IN THE PROSPECTUS SHAREHOLDING OF PROMOTER / PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS AT ALLOTMENT:

| Sr. No. | Pre-Issue shareholding as at the date of Advertisement | | | Post-Issue shareholding as at Allotment ⁽³⁾ | | | |
|------------------------------------|--|--|-------------------------------------|--|-------------------------------------|---|-------------------------------------|
| | Shareholders | Number of Equity Shares ⁽²⁾ | Share holding (in %) ⁽²⁾ | At the lower end of the price band (₹ 153.00) | | At the upper end of the price band (₹ 161.00) | |
| | | | | Number of Equity Shares ⁽²⁾ | Share holding (in %) ⁽²⁾ | Number of Equity Shares ⁽²⁾ | Share holding (in %) ⁽²⁾ |
| A. Promoter | | | | | | | |
| 1. | Mr. Sawar Mal Goyal | 27,54,200 | 61.73 | [●] | [●] | [●] | [●] |
| 2. | Mr. Ananya Goyal | 9,00,000 | 20.17 | [●] | [●] | [●] | [●] |
| 3. | M/s. S.M. Goyal & Sons (HUF) | 2,00,000 | 4.48 | [●] | [●] | [●] | [●] |
| B. Promoter Group ⁽¹⁾ | | | | | | | |
| 1. | Mr. Sanjay Goyal | 100 | 0.00 | [●] | [●] | [●] | [●] |
| 2. | Ms. Shalu Goyal | 100 | 0.00 | [●] | [●] | [●] | [●] |
| 3. | Ms. Soumya Goyal | 100 | 0.00 | [●] | [●] | [●] | [●] |
| C. Additional Top Ten Shareholders | | | | | | | |
| 1. | Ava Paisa Growth Private Limited | 60,753 | 1.36 | [●] | [●] | [●] | [●] |
| 2. | M/s. Intellect Endeavours LLP | 60,753 | 1.36 | [●] | [●] | [●] | [●] |
| 3. | M/s. Kanushi Enterprise through its propertiership Akshay Aggarwal | 60,753 | 1.36 | [●] | [●] | [●] | [●] |
| 4. | Ms. Radhika Bansal | 40,522.00 | 0.91 | [●] | [●] | [●] | [●] |
| 5. | Mr. Amanveer Singh | 30,376 | 0.68 | [●] | [●] | [●] | [●] |



| Sr. No. | Pre-Issue shareholding as at the date of Advertisement | | | Post-Issue shareholding as at Allotment ⁽³⁾ | | | |
|---------|--|--|-------------------------------------|--|-------------------------------------|---|-------------------------------------|
| | Shareholders | Number of Equity Shares ⁽²⁾ | Share holding (in %) ⁽²⁾ | At the lower end of the price band (₹ 153.00) | | At the upper end of the price band (₹ 161.00) | |
| | | | | Number of Equity Shares ⁽²⁾ | Share holding (in %) ⁽²⁾ | Number of Equity Shares ⁽²⁾ | Share holding (in %) ⁽²⁾ |
| 6. | Ms. Bijal Chandresh Dedhia | 30,376 | 0.68 | [●] | [●] | [●] | [●] |
| 7. | Goyal Agritrade Private Limited | 30,376 | 0.68 | [●] | [●] | [●] | [●] |
| 8. | Ms. Gunjan Aggarwal | 30,376 | 0.68 | [●] | [●] | [●] | [●] |
| 9. | Mr. Pranav Kant | 30,376 | 0.68 | [●] | [●] | [●] | [●] |
| 10. | Mr. Saurabh Gupta | 30,376 | 0.68 | [●] | [●] | [●] | [●] |
| 11. | Mr. Sumit Gupta | 30,376 | 0.68 | [●] | [●] | [●] | [●] |
| 12. | Ms. Swati Goyal | 30,376 | 0.68 | [●] | [●] | [●] | [●] |
| 13. | Mr. Uttamjit Singh Sabharwal | 30,376 | 0.68 | [●] | [●] | [●] | [●] |
| 14. | Mr. Vineet Gupta | 30,376 | 0.68 | [●] | [●] | [●] | [●] |

⁽¹⁾ The Promoter Group shareholders are Mr. Sanjay Goyal, Ms. Shalu Goyal and Ms. Soumya Goyal

⁽²⁾ Includes all options that have been exercised until date of prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of prospectus.

⁽³⁾ Based on the Issue price of ₹ [●] and subject to finalization of the basis of allotment. ”

H. SUMMARY OF RESTATED FINANCIAL INFORMATION

Based on Restated Financial Statements for the ten months period ended on January 31, 2025 and for the financial year ended as on March 31, 2024, 2023 and 2022:

(₹ in Lakhs)

| Particulars | For the Ten months Period ended on | For the financial year ended on | | |
|------------------------------------|------------------------------------|---------------------------------|----------------|----------------|
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Share Capital | 446.20 | 446.20 | 385.45 | 385.45 |
| Reserves and surplus | 1,984.88 | 1,067.81 | 75.09 | (26.38) |
| Net worth | 2,431.08 | 1,514.02 | 460.54 | 359.07 |
| Total Income | 10,534.96 | 7,026.25 | 6,835.44 | 5,016.78 |
| Profit after Tax | 917.07 | 553.48 | 98.22 | (41.77) |
| Total Borrowings | 2,074.69 | 2,572.47 | 2,879.67 | 3,099.63 |
| Other Financial Information | | | | |
| Basic & Diluted EPS (₹) | 20.55 | 13.74 | 2.55 | (1.08) |
| Return on Net worth (%) | 37.72 | 36.56 | 21.33 | (11.63) |
| Net Asset Value Per Share (₹) | 54.48 | 37.60 | 11.95 | 9.32 |

For further details, see “Financial Information – Restated Consolidated Financial Information” on page 195 of this Red Herring Prospectus.

The table below sets out some of our financial and other metrics as at and for the ten months period ended January 31, 2025 and financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, based on our Restated Consolidated Financial Information:

(₹ in Lakhs)

| Key Financial Performance | For the Ten months Period ended on | For the Financial Year ended | | |
|--|------------------------------------|------------------------------|----------------|----------------|
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Revenue from operations ⁽¹⁾ | 10,501.15 | 6,970.49 | 6,830.76 | 5,012.10 |
| EBITDA ⁽²⁾ | 1,508.34 | 1,101.46 | 535.09 | 296.59 |
| EBITDA Margin ⁽³⁾ % | 14.36 | 15.80 | 7.83 | 5.92 |
| PAT | 917.07 | 553.48 | 98.22 | (41.77) |
| PAT Margin ⁽⁴⁾ % | 8.73 | 7.94 | 1.44 | (0.83) |
| Net worth ⁽⁵⁾ | 2,431.08 | 1,514.02 | 460.54 | 359.07 |
| ROE % ⁽⁶⁾ | 37.72 | 36.56 | 21.33 | (11.63) |
| RoCE% ⁽⁷⁾ | 45.12 | 39.54 | 30.95 | 10.09 |

Notes:

- (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements
- (2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs - Other Income
- (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- (4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- (5) Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- (6) Return on Equity is ratio of Profit after Tax and Shareholder Equity
- (7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings.

I. QUALIFICATION OF THE AUDITORS

The Auditors' Report of Restated Financial Statements of our Company does not contain any qualification which has not been given effect to in Restated Financial Statements.

J. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, as of the date of this Red Herring Prospectus, as also disclosed in "**Outstanding Litigation and Material Developments**" on page 217 in terms of the SEBI ICDR Regulations and the materiality policy adopted by our Board pursuant to a resolution dated July 05, 2024 is provided below:

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory/Regulatory Proceedings | Disciplinary Action By SEBI/ Stock Exchange | Material Civil Litigations | Aggregate Amount Involved (To the extent ascertainable)* (₹ in Lakhs) |
|--|----------------------|-----------------|----------------------------------|---|----------------------------|---|
| Company | | | | | | |
| By the company | - | - | - | - | - | - |
| Against the company | - | 02 | - | - | - | 1.38 |
| Directors, Promoters and KMP | | | | | | |
| By our directors, promoters and KMP | - | - | - | - | - | - |
| Against our directors, Promoters and KMP | - | 05 | - | - | 1 | 52.25 |
| Promoters Group | | | | | | |
| By our Promoter Group | 01 | - | - | - | - | - |
| Against our Promoter Group | 01 | - | - | - | - | Unascertainable |

**To the extent quantifiable excluding interest and penalty thereon.*

The amounts claimed in these proceedings have been disclosed to the extent. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For the details of litigation proceedings, please refer to the chapter titled "**Outstanding Litigations and Material Developments**" on page 217 of this Red Herring Prospectus.

K. RISK FACTORS

Investors should read chapter titled “**Risk Factors**” beginning on the page 34 of this Red Herring Prospectus.

Our top 10 risk factors are set forth below:

1. There are outstanding litigations by and against our Company which if determined against us, could adversely impact financial conditions.
2. Our business predominantly focuses on blankets, which makes us particularly susceptible to fluctuations in demand. Any shifts in consumer preferences have the potential to significantly impact our business, as well as influence our operational outcomes and financial standing. Our business is highly concentrated on the sale of a single product, i.e., blankets. The details of the contribution of the sales of our products to our total revenue from operations are as under
3. A majority of our supplies for our operations are obtained from a limited number of suppliers.
4. We are dependent on a few customers for a major part of our revenues. Further, we do not enter into long-term arrangements with our customers could adversely affect our business and the results of operations.
5. Our Company has a negative cash flow in its operating activities for the financial year ended on March 31, 2024, investing activities for the ten months period ended January 31, 2025 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 and Financing Activity for the ten months period ended January 31, 2025 and the financial year ended March 31, 2023 details of which are given below. There was a net decrease in Cash and Cash Equivalent for ten months period ended January 31, 2025 and all the three years. Sustained negative cash flow could impact our growth and business.
6. Our business is subject to significant seasonal fluctuations, which could materially impact our financial results.
7. We have only one production unit that is located in Panipat and any localized social unrest, natural disaster breakdown of services, or any other natural disaster in and around Panipat or any disruption in production at, or shutdown of, our production unit could have material adverse effect on our business and financial condition.
8. If we are unable to maintain an optimal level of inventory, our business, results of operations and financial condition may be adversely affected.
9. Risk of Unsustainability of PAT Margin Increase in FY 24.
10. Our registered office on located on rental premises and consequently, we are required to comply with certain requirements given under leave and license agreements.

L. SUMMARY OF CONTINGENT LIABILITIES

The following is a summary table of our company’s contingent liabilities as on January 31, 2025:

(₹ in Lakhs)

| Sr. No. | Particulars | Amount |
|---------|---|--------|
| 1. | Income Tax demands / Notices before CIT Appeals / TDS | 0.81 |
| 2. | Bank Guarantees / Corporate Guarantees | - |

For further information, please see “**Financial Information**” beginning on page 195 of this Red Herring Prospectus.

M. SUMMARY OF RELATED PARTY TRANSACTIONS

Our Company has entered into certain transactions with our related parties including our Promoter, Promoter Group, Directors, and their relatives as mentioned below:

(₹ in Lakhs)

| Name of Related Party | Nature of Relationship | Nature of Transaction | Amount of transaction during the ten months period ended January 31, 2025 | Amount outstanding as on January 31, 2025 (Payable)/ Receivable | Amount of transaction during the period ended March 31, 2024 | Amount outstanding as on March 31, 2024 (Payable)/ Receivable | Amount of transaction during the year ended March 31, 2023 | Amount outstanding as on March 31, 2023 (Payable)/ Receivable | Amount of transaction during the year ended March 31, 2022 | Amount outstanding as on March 31, 2022 (Payable)/ Receivable |
|-----------------------|------------------------|-----------------------|---|---|--|---|--|---|--|---|
| Ananya Goyal | Director | Remuneration | 11.00 | (0.97) | 13.20 | (0.97) | 13.20 | (0.97) | 13.20 | - |
| | | Loan Taken | 354.84 | (8.82) | 368.15 | (128.13) | 263.80 | (682.97) | 60.60 | (951.62) |
| | | Loan Repaid | 474.15 | | 922.99 | | 532.45 | | 59.75 | |



| | | | | | | | | | | |
|----------------------------|------------------------------------|--------------------------|--------|---------|--------|---------|--------|----------|--------|----------|
| | | Advance given (Imprest) | 0.32 | (0.88) | 26.13 | (0.88) | 28.39 | (0.91) | 104.11 | - |
| | | Advance repaid (Imprest) | 0.32 | | 26.16 | | 27.48 | | 104.25 | |
| Sawar mal Goyal | Director | Remuneration | 25.00 | (1.92) | 30.00 | (1.92) | 30.00 | (1.92) | 30.00 | - |
| | | Loan Taken | 280.22 | (28.53) | 75.70 | (97.70) | 119.97 | (348.78) | 274.51 | (275.50) |
| | | Loan Repaid | 349.40 | | 326.78 | | 46.69 | | 274.51 | |
| | | Advance given (Imprest) | 13.23 | - | - | - | - | - | - | - |
| | | Advance repaid (Imprest) | 13.23 | | - | | - | | - | |
| Rishika Goyal | Relative of director | Remuneration | 0.80 | - | 4.80 | - | 4.80 | (0.39) | 4.80 | - |
| | | Loan Taken | - | - | - | - | - | - | 61.00 | - |
| | | Loan Repaid | - | | - | | - | | 61.00 | |
| S. M Goyal & Sons (HUF) | Relative of director | Rent expenses | 0.40 | - | - | - | 0.60 | - | 0.60 | - |
| | | Advance given | - | - | - | - | - | - | 0.39 | - |
| | | Advance repaid | - | | - | | - | | 0.39 | |
| | | Sales of Goods | - | - | - | - | - | - | 38.73 | - |
| Sharda Devi Memorial Trust | Relative of director | Loan Taken | - | - | 59.37 | - | - | (56.50) | - | (56.50) |
| | | Loan Repaid | - | | 115.87 | | - | | - | |
| | | Interest Paid | - | - | 3.19 | - | 5.09 | - | 5.09 | - |
| Shalu Goyal | Relative of director | Salary | 12.00 | - | 9.60 | - | - | - | - | - |
| Sanjay Goyal | Relative of director | Salary | 12.00 | - | 9.60 | - | - | - | - | - |
| Amalendu Kumar | CFO | Salary | 4.00 | 0.46 | - | - | - | - | - | - |
| Sakshi Sareen | Company Secretary | Salary | 4.50 | 0.45 | - | - | - | - | - | - |
| S.R Knitt | Relative of director is proprietor | Sales of Goods | 2.18 | - | 7.23 | - | 5.20 | - | 0.08 | 0.35 |
| | | Purchase | - | | - | | 5.61 | | - | |
| | | Amount Received | 2.18 | | 7.23 | | 65.20 | | 38.68 | |
| | | Amount Paid | - | | - | | 65.26 | | 38.60 | |
| | | Interest Received | - | | - | | - | | 0.35 | |

For details of the Related Party Transactions as reported in the Restated Financials, please refer **Annexure-XXIX** of Chapter titled **"Financial Statements as Restated -Related Party Transactions"** on page 195 of this Red Herring Prospectus.

N. FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoters, members of Promoter Group, the Director of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 months immediately preceding the date of filing of this Red Herring Prospectus.

O. WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS RED HERRING PROSPECTUS



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

| Name of the Promoters | Weighted Average Price (₹)* |
|------------------------------|-----------------------------|
| Mr. Sawar Mal Goyal | _# |
| Mr. Ananya Goyal | _# |
| M/s. S.M. Goyal & Sons (HUF) | _# |

*For arriving at the weighted average price at which the specified securities of the Company were acquired by the Promoters in the last one year, only acquisition of specified securities has been considered while arriving at the weighted average price per specified security for last one year.

#The promoter's have not acquired any shares in last one year preceding the date of this Red Herring Prospectus and hence the Weighted average price is NIL.

P. AVERAGE COST OF ACQUISITION

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

| Name of the Promoters | No. of Shares held | Average Cost of Acquisition (₹)* |
|------------------------------|--------------------|----------------------------------|
| Mr. Sawar Mal Goyal | 27,54,400 | 10.00 |
| Mr. Ananya Goyal | 9,00,000 | 8.33 |
| M/s. S.M. Goyal & Sons (HUF) | 2,00,000 | 10.00 |

As certified by M/s. Manish Pandey & Associates, Chartered Accountants pursuant to their certificate dated June 23, 2025.

*The average cost of acquisition of Equity Shares by our Promoters have been calculated by considering the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sale of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

Q. PRE-IPO PLACEMENT DETAILS

Our Company has not proposed any Pre-IPO Placement in this Issue.

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

Other than as disclosed in “*Capital Structure*” on page 77 of this Red Herring Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as of the date of this Red Herring Prospectus.

S. SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Other than as disclosed in “*Capital Structure*” on page 77 of this Red Herring Prospectus, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Red Herring Prospectus.

T. EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our Company has not applied for or received any exemption from complying with any provisions of Securities Law by SEBI.

SECTION III: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “**Our Business**” beginning on page 123, “**Our Industry**” beginning on page 107 and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 196, of this Red Herring Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable, and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our restated financial statements under Indian GAAP, as restated in this Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “**Definitions and Abbreviations**” beginning on page 4 of this Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as Internal and External for clarity and better understanding.

INTERNAL RISKS

BUSINESS RELATED

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

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

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory/Regulatory Proceedings | Disciplinary Action By SEBI/ Stock Exchange | Material Civil Litigations | Aggregate Amount Involved (To the extent ascertainable)* (₹ in Lakhs) |
|----------------|----------------------|-----------------|----------------------------------|---|----------------------------|--|
| Company | | | | | | |



| | | | | | | |
|---|----|----|---|---|---|-----------------|
| By the company | - | - | - | - | - | - |
| Against the company | - | 02 | - | - | - | 1.38 |
| Directors, Promoters and KMP | | | | | | |
| By our directors, promoters and KMP | - | - | - | - | - | - |
| Against our directors, Promoters and KMP | - | 05 | - | - | 1 | 52.25 |
| Promoters Group | | | | | | |
| By our Promoter Group | 01 | - | - | - | - | - |
| Against our Promoter Group | 01 | - | - | - | - | Unascertainable |
| *To the extent quantifiable excluding interest and penalty thereon. | | | | | | |

As per website of Income Tax, the following e-proceedings are shown as pending with “pending” status. However, the amount has not been mentioned and cannot be crystallized Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Red Herring Prospectus. For further details, see **“Outstanding Litigation and Material Developments”** beginning on page 217 of this Red Herring Prospectus. Any adverse decisions in the aforesaid proceedings may have a material effect on our business, future financial performance and results of operations.

- Our business predominantly focuses on blankets, which makes us particularly susceptible to fluctuations in demand. Any shifts in consumer preferences have the potential to significantly impact our business, as well as influence our operational outcomes and financial standing. Our business is highly concentrated on the sale of a single product, i.e., blankets. The details of the contribution of the sales of our products to our total revenue from operations are as under:*

We specifically cater to the market of blankets and its sales are dependent on a number of factors such as increased competition, pricing pressures or fluctuations in the demand for or supply of our products, and other factors outside our control. The number of customers demanding bedsheets may decline or not continue to increase. If we are unable to anticipate and gauge customer preferences, or if we are unable to adapt to such changes in a timely basis or at all, we may lose or fail to attract customers, our inventory may become obsolete, and we may be subject to pricing pressure to sell our inventory at a discount.

(₹ in lakhs)

| Product category | For the Ten Months period January 31, 2025 | | For the Financial year 2023-24 | | For the Financial year 2022-23 | | For the Financial year 2021-22 | |
|--------------------------------------|--|------------------------------------|--------------------------------|------------------------------------|--------------------------------|------------------------------------|--------------------------------|------------------------------------|
| | Revenue | % of total revenue from operations | Revenue | % of total revenue from operations | Revenue | % of total revenue from operations | Revenue | % of total revenue from operations |
| Blankets | 3,450.76 | 32.86 | 4,504.97 | 64.63 | 6,473.04 | 0.95 | 4,492.70 | 89.64 |
| Bedsheets | 0.06 | 0.00 | 2.46 | 0.04 | 0.14 | 0.00 | 4.27 | 0.09 |
| Comforters | 0.53 | 0.01 | 0.66 | 0.01 | 1.75 | 0.00 | 9.88 | 0.20 |
| Curtains | 0.26 | 0.00 | 6.93 | 0.10 | - | - | - | - |
| Polyester Yarn | 24.12 | 0.23 | 56.46 | 0.81 | 3.91 | 0.00 | 502.79 | 10.03 |
| Satin | 1.29 | 0.01 | 4.42 | 0.06 | - | - | - | - |
| Semi-Finished Goods - (Fabrics) | 498.94 | 4.75 | 451.68 | 6.48 | - | - | - | - |
| Semi finish roll (white cuter roll) | 942.36 | 8.97 | 165.61 | 2.38 | 335.86 | 0.05 | - | - |
| Semi-Finished Goods - | 2,940.71 | 28.00 | 1,687.98 | 24.22 | - | - | - | - |

| | | | | | | | | |
|-----------------------|------------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| (Unstitched Blankets) | | | | | | | | |
| Others | 50.80 | 0.48 | 89.32 | 1.28 | 16.06 | 0.00 | 2.46 | 0.05 |
| Fabric (60011020) | 2,591.32 | 24.68 | - | - | - | - | - | - |
| Total | 10,501.15 | 100.00 | 6,970.49 | 100.00 | 6,830.76 | 100.00 | 5,012.10 | 100.00 |

3. A majority of our supplies for our operations are obtained from a limited number of suppliers

We had sourced our raw materials from various suppliers. Our business operations require a sufficient and stable supply of fabrics. We also obtain certain slightly imperfect fabric, for merchandising from third-party Contract Manufacturers in India. Our financial performance depends largely on our ability to purchase from the sellers of such fabrics in sufficient quantities at competitive prices. We are not assured of continued provision or adequate pricing of fabrics. Our purchases of fabrics are concentrated from a few suppliers. The details of this concentration are provided in the following table:

(₹ in Lakhs)

| Particular | For the Ten Months period January 31, 2025 | | For the Financial year 2023-24 | | For the Financial year 2022-23 | | For the Financial year 2021-22 | |
|------------------------|--|--------------|--------------------------------|--------------|--------------------------------|--------------|--------------------------------|--------------|
| | Revenue in ₹ | Revenue in % | Revenue in ₹ | Revenue in % | Revenue in ₹ | Revenue in % | Revenue in ₹ | Revenue in % |
| Top 1 Supplier | 1,353.16 | 16.90 | 1,675.18 | 32.48 | 1,603.75 | 30.51 | 1,464.58 | 34.39 |
| Top 3 Supplier | 3,903.22 | 48.76 | 3,150.20 | 61.08 | 3,218.48 | 61.23 | 2,800.89 | 65.96 |
| Top 5 Supplier | 5,833.64 | 72.88 | 3,753.58 | 72.78 | 3,875.93 | 73.74 | 3,265.14 | 76.90 |
| Top 10 Supplier | 7,445.05 | 93.01 | 4,487.24 | 87.00 | 4,495.09 | 85.52 | 3,709.21 | 87.35 |

Our ability to remain competitive, and maintain costs and profitability depends, in part, on our ability to source and maintain a stable and sufficient supply of raw material at acceptable prices. Our raw materials include yarns, colour chemicals and elastic. *For further information, see “Our Business” beginning on page 123 of this Red Herring Prospectus.* We depend on external suppliers for all the raw materials required and typically purchase raw materials on a purchase order basis and place such orders with them in advance based on our projected requirements. As a result, the success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. The absence of long-term supply contracts subjects us to risks such as price volatility caused by various factors viz. commodity market fluctuations, currency fluctuations, climatic and environmental conditions, transportation cost, changes in domestic regulatory changes and trade sanctions. If we cannot fully offset the increase in raw material prices with an increase in the prices for our products, we will experience lower profit margins, which in turn may have a material adverse effect on our results of operations, and financial condition and ultimately lead to a liquidity crunch. In the absence of such contracts, we are also exposed to the risk of unavailability of raw materials in desired quantities and qualities, in a timely manner.

Further, as we generally receive purchase orders for the supply of our products to customers, we rely on historical trends and other indicators to purchase the required quantities of raw materials. We, therefore, run the risk of purchasing more raw materials than necessary, which could expose us to risks associated with prolonged storage of some of these materials, and materially affect our results of operations. Conversely, if our customers place orders for greater quantities of products compared to their historical requirements, we may not be able to adequately source the necessary raw materials in a timely manner and may not have the required processing capacity to meet such demand. In addition, if all or a significant number of our suppliers for any particular raw material are unable or unwilling to meet our requirements or if our estimates fall short of the demand, we could suffer shortages or significant cost increases. Continued supply disruptions could exert pressure on our costs, and we cannot assure you that all or part of any increased costs can be passed along to our customers in a timely manner or at all, which could negatively affect our business, overall profitability, and financial performance.

4. We are dependent on a few customers for a major part of our revenues. Further, we do not enter into long-term arrangements with our customers could adversely affect our business and the results of operations.

Our majority of sales are concentrated on a few customers and our revenue from operations from our top 1 customer, top 3 customers, top 5 customers, and 10 customers for ten months period January 31, 2025, Financial years 2023-24, 2022-23, and 2022-21 are set out below:

(₹ in Lakhs)

| Particular | For the Ten Months period January 31, 2025 | | For the Financial year 2023-24 | | For the Financial year 2022-23 | | For the Financial year 2021-22 | |
|------------------|--|-------------------------------------|------------------------------------|-------------------------------------|------------------------------------|-------------------------------------|------------------------------------|-------------------------------------|
| | Amount of purchase of Raw material | % of total purchase of raw material | Amount of purchase of Raw material | % of total purchase of raw material | Amount of purchase of Raw material | % of total purchase of raw material | Amount of purchase of Raw material | % of total purchase of raw material |
| Top 1 Customer | 1,982.64 | 18.78 | 955.33 | 13.71 | 1,455.52 | 21.31 | 1,046.80 | 20.89 |
| Top 3 Customers | 4,431.57 | 41.99 | 2,254.68 | 32.35 | 3,144.11 | 46.03 | 1,764.07 | 35.20 |
| Top 5 customers | 6,044.51 | 57.27 | 3,334.37 | 47.84 | 3,859.51 | 56.50 | 2,250.09 | 44.89 |
| Top 10 Customers | 7,699.58 | 72.95 | 4,688.32 | 67.26 | 4,914.81 | 71.95 | 3,069.96 | 61.25 |

We presently do not have any long-term or exclusive arrangements with any of our customers and we cannot assure you that we will be able to sell the quantities we have historically supplied to such customers. In the event our competitors' products offer better margins to such customers or otherwise incentivize them, there can be no assurance that our customers will continue to place orders with us. Most of our transactions with our customers are typically on a purchase-order basis without any commitment to a fixed volume of business. There can also be no assurance that our customers will place their orders with us on current or similar terms, or at all. Further, our customers could change their business practices or seek to modify the terms that we have customarily followed with them, including in relation to their payment terms. While we negotiate product prices and payment terms with our customers, in the event our customers alter their requirements, it could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows. In addition, our customers may also cancel purchase orders at short notice or without notice, which could have an impact on our inventory management. In the event of frequent cancellations of purchase orders, the same could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

5. Our Company has a negative cash flow in its operating activities for the financial year ended on March 31, 2024, investing activities for the ten months period ended January 31, 2025 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 and Financing Activity for the ten months period ended January 31, 2025 and the financial year ended March 31, 2023 details of which are given below. There was a net decrease in Cash and Cash Equivalent for ten months period ended January 31, 2025 and all the three years. Sustained negative cash flow could impact our growth and business.

Our Company had negative cash flows from our operating activities as well as investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(₹ in lakhs)

| Particulars | For ten months period ended | For the year ended March 31 | | |
|---|-----------------------------|-----------------------------|----------|----------|
| | January 31, 2025 | 2024 | 2023 | 2022 |
| Net cash (used in)/ generated from Operating Activities | 685.33 | (10.42) | 362.41 | 80.80 |
| Net cash (used in)/ generated from Investing Activities | (31.83) | (9.75) | (14.46) | (569.93) |
| Net cash (used in)/ generated from Financing Activities | (653.60) | 4.52 | (368.21) | 488.32 |
| Net increase/ (decrease) in cash and cash Equivalents | (0.10) | (15.65) | (20.27) | (0.81) |

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

6. Our business is subject to significant seasonal fluctuations, which could materially impact our financial results.

Our company's major sales come from the sale of blankets, i.e. 64.63% of total sales as on financial year ended on March 31, 2024. The sale of blankets is higher in winters, in India the winters starts from late October and continues till early march. Our company realizes major sales in these months. These seasonal fluctuations can be influenced by various factors, including Weather conditions, Industry-specific events which often vary throughout the year, with increased spending during certain seasons or holidays. If we are unable to effectively manage these seasonal fluctuations, our revenue and profitability may experience significant volatility. This could negatively impact on our ability to generate cash flow, invest in our business, and meet our financial obligations.



7. *We have only one production unit that is located in Panipat and any localized social unrest, natural disaster breakdown of services, or any other natural disaster in and around Panipat or any disruption in production at, or shutdown of, our production unit could have material adverse effect on our business and financial condition.*

As of the date of this Red Herring Prospectus, our production unit is located in the state of Haryana, India. Our processing operations and consequently our business is dependent upon our ability to manage this unit, which is subject to operating risks, including those beyond our control. In the event of any disruptions at our unit, due to natural or man-made disasters, workforce disruptions, delay in regulatory approvals, fire, failure of machinery, lack of continued access to assured supply of electrical power and water at reasonable costs, changes in the policies of the states or local government or authorities or any significant social, political or economic disturbances or civil disruptions in and around Panipat, Haryana our ability to produce our products may be adversely affected.

Disruptions in and around our unit could delay production or require us to shut down the unit. Any contravention of or non-compliance with the terms of various regulatory approvals applicable to the unit may also require us to cease or limit production until such noncompliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labor involved in our unit, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

Further, any materially adverse social, political, or economic development, civil disruptions, or changes in the policies of the state government or state or local governments in this region could adversely affect our processing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuous operations at our processing facility could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows, and future business prospects. Further, the spiraling cost of living around our processing facility may push our manpower costs higher, which may reduce our margin and cost competitiveness.

However, there have been no such occurrence or instances of the disclosed event since the incorporation of the company. The risk mentioned above shows the risks which may or may not occur in future which could impact the business of our Company.

8. *If we are unable to maintain an optimal level of inventory, our business, results of operations and financial condition may be adversely affected.*

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in our forecast could result in either surplus stock, which we may not be able to sell in a timely manner, or at all, or understocking, which could affect our ability to meet customer demand. In the event of overstocking, there exists a potential risk of inventory damage arising from the surplus quantities, as excessive stockpiling may lead to unfavourable storage conditions, deterioration, or depreciation of the goods. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products at our stores. We plan our inventory and estimate our sales based on the forecast, demand, and requirements for the forthcoming seasons. We have inventory stored at our stores ahead of an upcoming season.

For further information, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Changes in Inventories of Finished Goods & Work-in-Progress” on page 196.

While we aim to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we under-stock inventory, our ability to meet customer demand may be impaired. If we overstock inventory, our capital requirements may increase, and we may incur additional financing and storage costs. Any unsold inventory may have to be sold at a cost price or lower than the cost price or discarded, potentially leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations, and financial condition.

However, there have been no such occurrence or instances of the disclosed event since the incorporation of the company. The risk mentioned above shows the risks which may or may not occur in future which could impact the business of our Company

9. *Risk of Unsustainability of PAT Margin Increase in FY 24*

The Company's increase in its Profit After Tax (PAT) margin in FY 24 may not be sustainable in the future. The improvement in PAT margin achieved during this period may have been influenced by a combination of favourable, non-recurring factors, such as temporary reductions in operational costs, one-time gains, or shifts in market conditions that may not persist in the long term. Furthermore, the Company operates in a dynamic industry environment, where fluctuations in raw material prices, labour costs, and currency exchange rates could adversely affect its profitability.

The Company may also face increased competitive pressures, changes in consumer demand, or evolving regulatory requirements that could erode its ability to maintain these margin levels. Moreover, any reliance on external factors, such as economic stimulus measures, that may have contributed to the positive expansion in FY 24, could diminish in the future. Consequently, there is no assurance that the current PAT margin will be replicable in future fiscal periods, and the Company may experience volatility in its profitability, making the sustainability of the current margin levels uncertain

Below table is the comparison for three financial year:

(₹ in lakhs)

| Particulars | Ten months period ended on January 31, 2025 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|--|---|------------|------------|------------|
| Revenue from Operations ⁽¹⁾ | 10,501.15 | 6,970.49 | 6,830.76 | 5,012.10 |
| EBITDA ⁽²⁾ | 1,508.34 | 1,101.46 | 535.09 | 296.59 |
| EBITDA Margin ⁽³⁾ % | 14.36 | 15.80 | 7.83 | 5.92 |
| PAT | 917.07 | 553.48 | 98.22 | (41.77) |
| PAT Margin ⁽⁴⁾ % | 8.73 | 7.94 | 1.44 | (0.83) |

Notes:

⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

10. Our registered office is located on rental premises and consequently, we are required to comply with certain requirements given under leave and license agreements.

Our registered office is currently situated on leave and licensed premises, it is contingent upon compliance with specific regulations; failure to meet these requirements may grant the licensor the right to terminate the leave and license agreement. We cannot guarantee the uninterrupted renewal of the leave and license agreement in the future, and there exists a possibility that our Company may face challenges in securing alternate locations promptly if termination occurs. Further, we may be required to renegotiate the terms and conditions of such premises during their tenure. In the event of termination, we may be compelled to vacate the premises on short notice, further complicating our ability to find suitable alternatives swiftly. The occurrence of any of the above events may have a material adverse effect on our business, results of operations, and financial condition.

11. The Logo which is being used by us is yet not registered with the Trademarks.



The Logo is being used by us as our brand name. The logo is not yet registered with the Trade Marks. We have applied for registration of the same with the Trademarks Authority under Class 24 of the Trade Mark Act, 1999 and the current status of the same is "Accepted and Advertised". We are carrying out our business using our above referred logo and our customers are well versed with our logo with our Company and its operations, where name and reputation has much more value, we have created our image and reputation and recognition among Leading corporate houses and High Net worth class of our society, which is a significant element of our business strategy and success. Currently, our logo is not Registered with the Authority. In absence of our Registered Logo or Trademark our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future against its misuse, in such situation, there are chances of getting damage to our business prospects, reputation and goodwill and misuse of our designs by the competitors also. If our intellectual property rights are inadequate or if we otherwise fail to sufficiently protect our intellectual property, our business, financial condition and results of operations could be adversely affected.

12. If our Company is unable to continue being creative in our designs or if we are unable to keep up to the changing fashion trends, our sales could be affected.

Our results of operations depend upon the continued demand by consumers for our products. We operate in an industry that is highly competitive and where customers' purchases are highly subjective and sensitive to trends and tastes. Creativity and keeping in line with the latest trends are one of the key attributes for success in this industry. For our Company to remain competitive in respect of appealing designs, our designers must keep themselves updated with the latest global trends and demands and more importantly understand the requirements of the customers. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to modify our products on a timely basis, we may lose customers to our competitors, or may be forced to reduce our sales realization on products by having to offer them at a discount, thereby reducing our margins. A part of our production is for those products where we may not have an order in hand and the quantities are produced based on feedback received from merchandisers and management estimates. If we are not able to anticipate the demand, or misjudge the quantity, inter alia, this could lead to lower sales, higher inventories and higher discounts, each of which could have a material adverse effect on our brand, reputation, results of operations and financial condition.

13. There have been instances in the past where we have not made certain regulatory filings with the RoC and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company.

There are certain discrepancies / errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent. There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes clerical errors in the E-forms filed by our Company with the ROC in past years.

The following discrepancies have been mentioned in the forms filed by the Company with the Registrar of Companies under the provisions of Companies Act, 2013:

- Form ADT 1 Company has not filed e-form ADT-1 for the appointment of M/S. Virendra & Associates, Chartered Accountants for the Financial Year 01.04.2021 to 31.03.2026 in the AGM held on September 29, 2021. The period of non-compliance is FY 21-22. However, we had found an e-form ADT-1 in which the appointment of M/S. Virendra & Associates, Chartered Accountants have been made w.e.f. September 30, 2022. However, the Company has since filed the form, paying the required additional fees as per the Companies Act, 2013.
- E-form MGT-7 for financial year 2017-18 was filed twice since the company has already filed revised Form MGT-7 for FY 2017-18, there is no non-compliance in this regard as on today However, company shall make all endeavors to file correct form at the first instance itself to avoid any re-filing.
- As per MGT-8 and Directors Report Board Meeting held on July 13, 2018, but the same is not reported in MGT-7 filed for Financial Year 2018-19. However, after identifying this non-compliance, the Company is making sure to capture all the dates of Board and General meetings in future filings. The company has prepared minutes of the Board meeting held on 13th July 2018 and the same has been signed and circulated to all Board members. All the Board members have taken cognizance of missing date of Board meeting in Form MGT-7 for FY 2018-19 and has hence hired professionals to avoid clerical errors.
- Annual General Meeting held on October 27, 2020, and radio button for extension granted is selected as "NO" in Annual Filing forms for Financial Year 2019-20. However, for that period the Ministry of Corporate affairs had provided general extension of 3 months for all the entities to conduct AGM for FY 2019-20 due to COVID. However, the company ensures that such clerical errors don't occur in future filings.
- Due date of Annual General Meeting is mentioned as November 30, 2021, in Annual Filing forms for Financial Year 2020-21 instead of September 30, 2021. However, the Ministry had provided a general extension of 2 months for FY 20-21 to conduct AGM due to COVID. However, the company ensures that such clerical errors don't occur in future filings
- Non-compliance was observed on 22nd August 2016 for which Alteration was not noted in the MOA attached in the E-form MGT-14 & Form SH-7 as per section 15 of Companies Act, 2013. However, in the subsequent filing of Form MGT-14 vide SRN AA9695701 dated 10th August 2024, the alteration has been noted both in MOA and filed with ROC. The company shall ensure to comply with the provisions in the future with better compliance mechanism.

- The company has drafted minutes of the Extra Ordinary General Meeting held on 2nd June 2018 and the same has been signed and circulated to all Board members. Merely not mentioning the date of EGM in Form MGT-7 for that particular year is merely a clerical error and the company has steps proactive steps in this regard to avoid in future.
- Amount Received from Proprietorship Firm of Mr. Akshay Aggarwal instead from his personal account for right issue dated December 18, 2023. Though the amount transferred from Proprietorship Firm is as good as received from the individual himself. However, subscribers shall be careful and sensitive during any fund-raising process to avoid such errors. The Board of directors of the company has taken all steps in all future fund-raising processes either through private placement or rights issues or any other means wherein checklist and procedures are thoroughly checked to minimize such errors. However, such errors in no way have bearing in the proposed IPO of the company
- In form INC-27, Para-3 of Main object of the company was not reported. The non-compliance observed on 19th October 2023 has been regularized by filing Form MGT-14 vide SRN AA9538523 dated 7th August 2024 for this clerical error by paying the required form fees as per the Companies Act, 2013.
- During the process of conversion of Private limited company to Public Limited company, Company inadvertently mentioned the name of the newly appointed directors in Articles of Association instead of First directors. After identification of the non-compliance observed on 19th October 2023 has been regularized by Filing of Form MGT-14 vide SRN AA9538523 dated 7th August 2024, with additional fees and would be very careful henceforth to avoid such minor errors.

Our company has missed to comply with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor. There are few discrepancies noticed in some of our corporate records relating to adhering with the provisions of SS-1 and SS-2 of the Companies Act, 2013 which inter alia includes non-stamped and unsigned documents attached in the forms, time of conclusion of the meeting not included in the certified true copy of resolution, date of the Board Meeting mentioned in the resolution was incorrect. Other errors in the forms, such as wrong date of meeting, requisite attachments were not attached, late filing of forms, etc. However, as there was no error on the MCA master data, no major action was taken for the same. Some forms were filed after the due date of the respective forms. Supporting documents attached in some of the Forms are not signed and stamped by the requisite authority. Though the Company is ensuring to comply with all the shortcomings, however any penalty or action taken by any regulatory authority in future for non-compliance with provisions of corporate and other law could impact financial position of the company to that extent. Although no notices have been issued upon our Company yet but there may be instances whereby notices may be issued to our company and fines or penalties may also be imposed upon our Company, which may adversely affect our administration from compliance perspective. There can be no assurance that no penal action will be taken against us by the regulatory authorities with respect to non-compliance. If any adverse actions are taken against us, our financial results could be affected. Additionally, we have strengthened our internal compliance system by introducing the 'Maker Checker' System and have undertaken steps to update the internal database with latest circulars and amendments to ensure future compliance. In the event the Company fails to submit the requisite disclosures to the regulators in the future, then the Company may be penalized by the regulators and the same may affect our results of operations.

14. There have been some instances of delays in the filing of statutory and regulatory dues in the past with the various government authorities.

In the past, there have been certain instances of delays in filling statutory & regulatory dues with respect to GSTR 1, GSTR 3B, TDS, Tax Liabilities, ESIC, and EPF. These delays were majorly due to the following reasons:

Delays in relation to GST in ten months period ended on January 31, 2025 and last 3 financial years is as below:

| Return Type | Financial Year | Tax Period | Acknowledgement Number | Date Of Filing | Due Date | Delay in days | Amount in ₹ (lakhs) | | |
|-------------|----------------|------------|------------------------|----------------|------------|---------------|---------------------|-------|-------|
| | | | | | | | IG ST | CG ST | SG ST |
| GSTR-1/IFF | 2024-25 | April | AB070424007201V | 5/22/2024 | 5/11/2024 | 11 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | May | AB070524094248 W | 7/26/2024 | 6/11/2024 | 45 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | June | AB0706245303673 | 7/26/2024 | 7/11/2024 | 15 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | September | AA0709247970301 | 10/15/2024 | 10/11/2024 | 4 | NA | NA | NA |

| | | | | | | | | | |
|------------|---------|-----------|-----------------|------------|------------|----|------|----|----|
| GSTR-1/IFF | 2024-25 | October | AB071024029273L | 11/26/2024 | 11/11/2024 | 15 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | December | AB071224176575Z | 1/20/2025 | 1/11/2025 | 9 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | January | AA070125899444V | 2/20/2025 | 2/11/2025 | 9 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | February | AB070225097752Y | 4/15/2025 | 3/11/2025 | 35 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | March | AB0703256837104 | 5/22/2025 | 4/11/2025 | 41 | NA | NA | NA |
| GSTR3B | 2024-25 | April | AB0704240189717 | 5/23/2024 | 5/20/2024 | 3 | - | - | - |
| GSTR3B | 2024-25 | May | AB0705240942618 | 7/26/2024 | 6/20/2024 | 36 | - | - | - |
| GSTR3B | 2024-25 | June | AB070624530431G | 7/26/2024 | 7/20/2024 | 6 | - | - | - |
| GSTR3B | 2024-25 | July | AB070724046695T | 8/29/2024 | 8/20/2024 | 9 | - | - | - |
| GSTR3B | 2024-25 | October | AB071024029281O | 11/26/2024 | 11/20/2024 | 6 | - | - | - |
| GSTR3B | 2024-25 | November | AB071124025991B | 12/26/2024 | 12/20/2024 | 6 | - | - | - |
| GSTR3B | 2024-25 | December | AB071224647556Z | 2/20/2025 | 1/20/2025 | 31 | - | - | - |
| GSTR3B | 2024-25 | January | AB070125058867U | 2/25/2025 | 2/20/2025 | 5 | - | - | - |
| GSTR3B | 2024-25 | February | AB0702251267845 | 5/22/2025 | 3/20/2025 | 63 | - | - | - |
| GSTR3B | 2024-25 | March | AB070325683744T | 5/22/2025 | 4/20/2025 | 32 | - | - | - |
| GSTR-1/IFF | 2024-25 | March | AA060325453364B | 4/13/2025 | 4/11/2025 | 2 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | April | AA190424844754U | 5/22/2024 | 5/11/2024 | 11 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | June | AB1906243430746 | 7/26/2024 | 7/11/2024 | 15 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | July | AB1906243430746 | 8/12/2024 | 8/11/2024 | 1 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | September | AA190924497461M | 10/14/2024 | 10/11/2024 | 3 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | October | AA191024785814V | 11/20/2024 | 11/11/2024 | 9 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | February | AA190225387874M | 3/12/2025 | 3/11/2025 | 1 | NA | NA | NA |
| GSTR-1/IFF | 2024-25 | March | AA1903255168250 | 4/14/2025 | 4/11/2025 | 3 | NA | NA | NA |
| GSTR3B | 2024-25 | April | AA190424844828N | 5/22/2024 | 5/20/2024 | 2 | - | - | - |
| GSTR3B | 2024-25 | May | AA190524935653W | 7/26/2024 | 6/20/2024 | 36 | 0.04 | - | - |
| GSTR3B | 2024-25 | June | AB190624343259U | 7/26/2024 | 7/20/2024 | 6 | 0.03 | - | - |

PF / ESIC- There were some instances of delayed filing of PF / ESIC on some instances for which the company has taken the corrective measures and currently the same is on track and is filed on time.

Delays in relation to PF in ten months period ended on January 31, 2025 and last 3 financial years is tabulated as below:

| Return Type | Financial Year | Tax Period | Date of Filing | Due Date | Delay in days | ₹ in Lakhs |
|-------------|----------------|------------|----------------|------------|---------------|------------|
| EPF | 2021-22 | June | 16-07-2021 | 15-07-2021 | 1 | 1.22 |
| EPF | 2022-23 | December | 16-01-2023 | 15-01-2023 | 1 | 0.91 |
| EPF | 2023-24 | July | 16-08-2023 | 15-08-2023 | 1 | 0.70 |
| EPF | 2023-24 | August | 20-09-2023 | 15-09-2023 | 5 | 0.60 |
| EPF | 2023-24 | September | 16-10-2023 | 15-10-2023 | 1 | 0.62 |

| | | | | | | |
|-----|---------|----------|------------|------------|----|------|
| EPF | 2023-24 | October | 21-11-2023 | 15-11-2023 | 6 | 0.68 |
| EPF | 2023-24 | November | 21-12-2023 | 15-12-2023 | 6 | 0.66 |
| EPF | 2023-24 | January | 18-05-2024 | 15-02-2024 | 93 | 0.56 |
| EPF | 2023-24 | February | 20-05-2024 | 15-03-2024 | 66 | 0.53 |
| EPF | 2023-24 | March | 20-05-2024 | 15-04-2024 | 35 | 0.48 |
| EPF | 2024-25 | April | 29-06-2024 | 15-05-2024 | 45 | 0.49 |
| EPF | 2024-25 | May | 05-07-2024 | 15-06-2024 | 20 | 0.51 |
| EPF | 2024-25 | June | 25-07-2024 | 15-07-2024 | 10 | 0.67 |
| EPF | 2024-25 | August | 19-09-2024 | 15-09-2024 | 4 | 0.66 |
| EPF | 2024-25 | October | 27-11-2024 | 15-11-2024 | 12 | 0.72 |
| EPF | 2024-25 | December | 17-01-2025 | 15-01-2025 | 2 | 0.60 |
| EPF | 2024-25 | January | 20-02-2025 | 15-02-2025 | 5 | 0.61 |

Delays in relation to ESIC in ten months period ended on January 31, 2025 and last 3 financial years is as below:

| Return Type | Financial Year | Tax Period | Date Of Filing | Due Date | Delay in days | ₹ in lakhs |
|-------------|----------------|------------|----------------|------------|---------------|------------|
| ESI | 2022-23 | May | 18-06-2022 | 15-06-2022 | 3 | 0.36 |
| ESI | 2022-23 | July | 16-08-2022 | 15-08-2022 | 1 | 0.31 |
| ESI | 2022-23 | August | 17-09-2022 | 15-09-2022 | 2 | 0.36 |
| ESI | 2022-23 | December | 16-01-2023 | 15-01-2023 | 1 | 0.24 |
| ESI | 2023-24 | June | 25-07-2023 | 15-07-2023 | 10 | 0.19 |
| ESI | 2023-24 | July | 17-08-2023 | 15-08-2023 | 2 | 0.15 |
| ESI | 2023-24 | August | 20-09-2023 | 15-09-2023 | 5 | 0.14 |
| ESI | 2023-24 | September | 16-10-2023 | 15-10-2023 | 1 | 0.14 |
| ESI | 2023-24 | October | 21-11-2023 | 15-11-2023 | 6 | 0.16 |
| ESI | 2023-24 | November | 21-12-2023 | 15-12-2023 | 6 | 0.14 |
| ESI | 2023-24 | January | 14-06-2024 | 15-02-2024 | 120 | 0.11 |
| ESI | 2023-24 | February | 21-06-2024 | 15-03-2024 | 98 | 0.09 |
| ESI | 2023-24 | March | 21-06-2024 | 15-04-2024 | 67 | 0.06 |
| ESI | 2024-25 | April | 26-06-2024 | 15-05-2024 | 42 | 0.06 |
| ESI | 2024-25 | May | 05-07-2024 | 15-06-2024 | 20 | 0.06 |
| ESI | 2024-25 | June | 25-07-2024 | 15-07-2024 | 10 | 0.06 |
| ESI | 2024-25 | July | 16-09-2024 | 15-08-2024 | 32 | 0.05 |
| ESI | 2024-25 | August | 16-09-2024 | 15-09-2024 | 1 | 0.04 |
| ESI | 2024-25 | September | 05-11-2024 | 15-10-2024 | 21 | 0.04 |
| ESI | 2024-25 | October | 30-11-2024 | 15-11-2024 | 15 | 0.04 |
| ESI | 2024-25 | December | 4-02-2025 | 15-01-2025 | 20 | 0.03 |
| ESI | 2024-25 | January | 25-02-2025 | 15-02-2025 | 10 | 0.03 |

Delays in relation to TDS in ten months period ended on January 31, 2025 and last 3 financial years is as below:

| Return Type | Financial Year | Tax Period | Acknowledgement Number | Date of Filing | Due Date | Delay in days | ₹ in lakhs |
|-------------|----------------|--------------------------|------------------------|----------------|------------|---------------|------------|
| 24Q | 2023-24 | 01-04-2023 TO 30-06-2023 | 358475670300923 | 30-09-2023 | 31-07-2023 | 61 | 2.56 |
| 24Q | 2024-25 | 01-04-2024 TO 30-06-2024 | 348198250030824 | 03-08-2024 | 31-07-2024 | 3 | 3.11 |
| 24Q | 2024-25 | 01-07-2024 TO 30-09-2024 | 676844210041124 | 04-11-2024 | 31-10-2024 | 4 | 2.08 |
| 26Q | 2022-23 | 01-07-2022 TO 30-09-2022 | 827614450301122 | 30-11-2022 | 31-10-2022 | 30 | 1.04 |
| 26Q | 2023-24 | 01-07-2023 TO 30-09-2023 | 528146020251123 | 25-11-2023 | 31-10-2023 | 25 | 1.38 |
| 26Q | 2024-25 | 01-04-2024 TO 30-06-2024 | 355600540060824 | 06-08-2024 | 31-07-2024 | 6 | 2.24 |
| 26Q | 2024-25 | 01-07-2024 TO 30-09-2024 | 677693340041124 | 04-11-2024 | 31-10-2024 | 4 | 5.13 |

As a result, the Company has filed returns and payments with delay penalty. However, the Board of Directors of our company has taken note of these delays in fulfilling our statutory and regulatory obligations. There can be no assurance

that delays or default with respect to payment of statutory and regulatory dues will not occur in the future which in turn may affect our reputation and financial results.

Additionally, we have strengthened our internal compliance system by introducing the ‘Maker Checker’ System and have undertaken steps to update the internal database with latest circulars and amendments to ensure future compliance. In the event the Company fails to submit the requisite disclosures to the regulators in the future, then the Company may be penalised by the regulators and the same may affect our results of operations

15. We have certain contingent liabilities as on date of this Red Herring Prospectus that have not been provided for in our Company’s financials which if materialized, could adversely affect our financial condition.

The following is a summary table of our company’s contingent liabilities as on January 31, 2025:

| | | (₹ in Lakhs) |
|---------|---|--------------|
| Sr. No. | Particulars | Amount |
| 1 | Income Tax demands / Notices before CIT Appeals / TDS | 0.81 |
| 2 | Bank Guarantees / Corporate Guarantees | - |

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. *For further information, please see “Financial Information” beginning on page 195 of this Red Herring Prospectus.*

16. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.

Our contingent liability as on January 31, 2025, was ₹0.81 Lakhs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected.

For more information, regarding our contingent liabilities, please refer “Annexure XXXIV” in chapter titled “Financial Information of the Company” beginning on page 195 of this Red Herring Prospectus.

17. Our company have had high Debt-to-Equity Ratio in past.

Over the past two financial years, our Company maintained a high Debt to Equity ratio, which was 8.63 on FY 22 and improved to 6.25 in FY 23. This ratio reflects significant reliance on debt financing, the ratio was primarily driven by negative reserves and surplus of ₹ (26.38) Lakhs and the Long-term Borrowings of ₹ 692.50 lakhs on FY 22. While the ratio improved due to the repayment of long-term borrowings amounting to ₹ 191.73 Lakhs and decrease in Utilization of Overdraft shown under short-term borrowings of ₹ 28.23 Lakhs, along with a positive reserve and surplus of ₹ 75.09 Lakhs in FY 23.

The high Debt to Equity ratio indicated that a substantial portion of our financing came from debt, which can increase our risk of interest rate change and repayment obligations. A continued high Debt to Equity ratio in future may increase our cost of capital and may affect our ability to invest in growth opportunities. Further, if our earnings do not cover our debt obligations sufficiently, it could lead to liquidity challenges and affect our overall financial stability

18. Our success depends heavily upon our individual Promoters and Directors for their continuing services, strategic guidance and financial support.

The success of the company depends heavily upon the continuing services of individual promoters & directors who are the natural person and in control of the Company. The Company believes that our promoters have invaluable experience that has helped the Company expand its business into multiple segments of the soft home furnishing industry. The company benefits from its relationship with its Promoters and the success of the company depends upon the continuing services of Promoters who have been responsible for the growth of business and are closely involved in the overall strategy, direction and management of business.

19. Our Promoters and Promoter Group will be able to exercise significant influence and control over our operations after the issue and may have interests that are different from those of our other shareholders.

As of the date of this Red Herring Prospectus, our Promoters and Promoter Group collectively hold 86.38% of our issued and outstanding equity share capital. Post the issue, our Promoters and Promoter Group will continue to hold [●]% of our issued and outstanding Equity Share capital. By virtue of their shareholding, our Promoters and Promoter Group will have the ability to exercise significant control and influence over our affairs and business, including the appointment of Directors, the timing and payment of dividends, the adoption of and amendments to our Memorandum and Articles of Association, the approval of a merger, amalgamation or sale of substantially all of our assets and the approval of most other actions requiring the approval of our shareholders. The interests of our Promoters and Promoter Group may be

different from or conflict with the interests of our other shareholders and their influence may result in change of our management or in our control, even if such a transaction may not be beneficial to our other shareholders.

20. Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel may have interest in our Company, other than reimbursement of expenses incurred, remuneration or other benefits received.

Our Promoters, Directors, Key Managerial Personnel and Senior Management 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. *For further details, please refer to the chapters titled “Our Business” and “Our Promoters and Promoter Group”, beginning on page 123 and 187 respectively and the chapter titled “Annexure XXIX - Related Party Transactions” of restated financials under chapter titled “Restated Financial Statements” beginning on page 195 of this Red Herring Prospectus.*

21. Our business involves usage of manpower and any unavailability of our employees or shortage of contract labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.

Our business involves usage of manpower and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of labourers. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations. We may not be able to secure the required number of labourers required for the timely execution of our functions for a variety of reasons including, but not limited to, possibility of disputes with sub-contractors, strikes, less competitive rates. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments to be paid to such contract labourers, limitations on the number of hours of work or provision of improved facilities. Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with sub-contractors or contract labourers deployed at our projects. This may adversely affect our business and cash flows and results of operations.

However, there have been no such occurrence or instances of the disclosed event since the incorporation of the company. The risk mentioned above shows the risks which may or may not occur in future which could impact the business of our Company.

22. Our Promoters have provided a personal guarantee for loans availed by us.

In the event of default of the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoter’s ability to manage the affairs of our Company and our Company’s profitability and consequently, this may impact our business, prospects, financial condition, and results of operations. Our Company has availed loans in business. Our Promoters have provided a personal guarantee in relation to certain loans availed by our Company, *for details please see “Financial Indebtedness” on page 216.* In the event of default in repayment of the loans by the Company, the personal guarantee extended by our Promoters may be invoked by our lenders thereby adversely affecting our Promoter’s ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations.

23. 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 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 87 of this Red Herring Prospectus.*

24. We are subject to various government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business, results of operations and cash flows may be adversely affected.

Our operations are subject to government regulation and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India and in respective regions that we have operations, generally for carrying out our business, producing and marketing our Products and for our production unit. *For details of applicable regulations and approvals relating to our business and operations, see “Government and Other Key Approvals” on beginning on page 222.*

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Failure to obtain or validly maintain such approvals could materially and adversely affect our business, results of operations and financial condition. *For further details, see “Government and Other Key Approvals” on beginning on page 222.*

The approvals required by our Company are subject to numerous conditions and there can be no assurance that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

If we fail to comply with applicable statutory or regulatory requirements or fail to complete production of our Products in compliance with applicable standards, there could be a delay in the submission or grant of approval for sale of new products. In many of the international markets where our Products are ultimately sold, the approval process for a new product can be complex, lengthy and expensive. The time taken to obtain regulatory approvals varies by country but generally takes between several weeks and several years from the date of application. If we fail to obtain such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations, cash flows and financial condition may be adversely affected.

However, there have been no such occurrence or instances of the disclosed event since the incorporation of the company. The risk mentioned above shows the risks which may or may not occur in future which could impact the business of our Company.

25. Potential Challenges Arising from Independent Directors' Limited Experience in Listed Companies.

Our company's independent directors lack experience of being an Independent Director in listed companies. However, one of Independent Director is independent director in a company which got listed recently. There might be a potential inadequacy in navigating the complexities of corporate governance and regulatory compliance specific to public entities. Without a solid understanding of the intricacies involved in managing a publicly traded company, these directors may struggle to fulfil their fiduciary responsibilities effectively. This lack of experience can hinder their ability to provide meaningful oversight of management, assess risks appropriately, and engage in strategic decision-making. Consequently, the board may face challenges in addressing issues related to financial reporting, regulatory obligations, and shareholder communications. Such deficiencies could lead to mismanagement, compliance breaches, and reputational harm, ultimately undermining investor confidence and adversely impacting the company's performance and market valuation.

26. Our Company's processing activities are labor intensive and depend on availability of skilled and unskilled employee in large numbers.

In case of unavailability of such employees and / or inability to retain such personnel, our business operations could be affected. Our Company has employed 133 employees. The above includes employees in the top and middle management and also employees who are part of processing unit and office staff. Our operations and performance are labour intensive and depends on our ability to identify, attract and retain both skilled and unskilled employees. In case such employees are unavailable or we are unable to identify and retain such employees, our business could be adversely affected. In order to retain flexibility and control costs, we also appoint independent contractors who in turn engage on-site contract labour for performing certain of our ancillary operations. Any failure to hire the appropriate contract labour may impact the operations, production and revenue.

27. Our business strategies and expansion plans may be subject to various unfamiliar risks and may not be successful.

While the company's growth strategies present significant opportunities, they are accompanied by various risks that could impact overall performance. The reliance on the expanding e-commerce market in India exposes the company to potential challenges such as market saturation, increased competition, and changing consumer preferences, which could lead to rising costs in digital marketing and logistics as well as issues with maintaining product quality and timely deliveries. Product diversification, including the introduction of new lines like bedding essentials and home decor, may dilute focus and resources, creating uncertainties around consumer acceptance and increasing competition, which could result in overstock or underperformance of certain items. Additionally, expanding the sales network into new domestic regions might encounter obstacles related to varying regional consumer behaviors, logistical challenges, regulatory compliance, and heightened operational costs, potentially affecting profitability. Finally, international expansion carries risks associated with currency fluctuations, geopolitical uncertainties, and diverse regulatory environments, along with the

challenge of understanding local market demands and competition. Collectively, these factors pose risks that could adversely impact the company's growth prospects and financial stability if not effectively managed.

28. *Dependence on key customers, financial constraints, and challenges in establishing a foothold in new market segments may impact the company's growth and stability.*

The company faces risks associated with a significant reliance on a limited number of key customers, which could materially impact revenue if these relationships are disrupted or if market conditions change. Additionally, the company's ambitious domestic and international expansion plans require substantial financial investments, and limited access to adequate resources may hinder growth initiatives or strain existing operations. Furthermore, diversification into new product segments, such as bedsheets and curtains, presents challenges in establishing a competitive market presence. The combined effect of these factors could adversely affect the company's financial performance and long-term growth prospects.

29. *Changing regulations, supply chain disruptions, intense competition, and economic fluctuations pose significant risks to the company's operation and growth.*

The company operates in an environment subject to potential regulatory changes, where alterations in government policies or compliance requirements could adversely impact operations and increase costs. Additionally, reliance on suppliers poses risks of supply chain disruptions, which may affect production schedules and delivery timelines. The bedding and home decor market is highly competitive, with established players exerting significant pressure on pricing, innovation, and market share. Moreover, economic fluctuations, including periods of instability, can weaken consumer purchasing power, reducing demand for non-essential items such as the company's products. These factors collectively pose a threat to the company's operational efficiency, market position, and financial performance.

30. *There have been instances of delay / default in payments to MSME registered vendors in the last three Financial Years. Any Continued delay / default may negatively impact our relationships, profitability, and cash flow.*

In the financial year 2023-24, our Company has delayed payments to various Micro, Small, and Medium Enterprises (MSME) vendors. There were 2 instances of delay in payment to vendors, VIRENDRA & ASSOCIATES & B.D GUPTA & ASSOCIATES for which the amount due is ₹216,331 & ₹ 215,000 respectively and the delay was due to unforeseen circumstances. Our company has recorded applicable interest on such delay payment in the books of accounts and the same was paid along with requisite interest before the date of filing of Red Herring Prospectus.

In compliance with applicable laws regarding delayed payments to MSME vendors, we have made payments to such vendors along with requisite interest on these overdue amounts. While this is a necessary step to adhere to legal requirements, it can significantly affect our cash flow and overall profitability. The interest paid to MSME vendors due to these delays may increase our operating expenses, further straining our financial resources. Additionally, delayed payments can lead to strained relationships with suppliers, resulting in disruptions in the supply chain and potential difficulties in obtaining necessary materials or services in the future. Furthermore, consistently late payments may compel vendors to impose stricter payment terms or, in some cases, refuse to continue business with us. This could adversely affect our operational efficiency and ability to meet customer demands.

31. *Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition, and results of operation.*



The Company has its own brand name "Rian Décor" under which it sells its products to the customers. Brand recognition is important to the success of our business. Establishing and maintaining our brand "Rian Décor" in the industry or for people relying on services is critical to the success of the customer acquisition process of our business. Although, we expect to allocate significant number of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing user and client base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

32. *Our success depends in large part upon our qualified personnel, including our senior management, directors and key personnel and our ability to attract and retain them when necessary.*

Our operations are dependent on our ability to attract and retain qualified personnel. While we believe that we currently have adequate qualified personnel, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. The loss of the services of our qualified personnel may adversely affect our business, results of operations and financial condition. We may require a long period of time to hire and train

replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting the qualified employees that our business requires. Furthermore, our senior management team is integral to the success of our business.

The attrition rate of last three Year is 2.31%, 2.13% & 2.37% for the year 2021-22, 2022-23 & 2023-24 respectively pertains to overall employees of the Company for that respective financial year. However, there has been no recent instance where any person from the senior management team or KMP has left the organization. But we cannot assure you that in future we will be able to retain any or all of our management team. Any loss of our senior management or key personnel or our inability to recruit further senior managers or other key personnel could impede our growth by impairing our day-to-day operations and hindering our development of ongoing and planned projects and our ability to develop, maintain and expand customer relationships.”

33. 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 of our company and of our subsidiaries and joint ventures. 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.

34. In the past, there were instances when our Company had not made any provision for payment of gratuity to our employees

As per the provisions of the Payment of Gratuity Act, 1972 (the "Act"), a scheme for the payment of gratuity to employees becomes applicable when a company crosses the threshold limit of employees stipulated by the Act. Our company failed to initially determine the applicability of the Act, despite the fact that the number of employees exceeded the prescribed limit. Consequently, the company did not maintain any provisions for gratuity in its financial statements for previous years.

Upon identifying this non-compliance, the company took the following corrective steps:

Assessment of Applicability: The company conducted a thorough review of its employee count and the applicability of the Act, confirming that it indeed surpassed the threshold limit.

Actuarial Valuation: Upon determination of the liability, the company sought Actuarial Valuation from a registered Actuarial Valuer and made required provision as per their report.

Accounting of Gratuity Provision: The provisions are recorded in the Profit and Loss account every year and requisite liability is created in the Balance Sheet. This liability will ensure that the company has enough funds for Gratuity payment as and when it becomes due. This ensured compliance with accounting standards and provided a transparent financial position.

The same can be referred on page F-12 of the Red Herring Prospectus as below:

(₹ in lakhs)

| Details of provision | Long Term Provision | | | | Short Term Provision | | | |
|------------------------|---------------------|----------|----------|----------|----------------------|----------|----------|----------|
| | January 31, 2025 | March 24 | March 23 | March 22 | January 31, 2025 | March 24 | March 23 | March 22 |
| Provision for Gratuity | 56.93 | 28.69 | 30.50 | 13.28 | 12.45 | 9.65 | 6.76 | 4.50 |

Gratuity Expenses have also been expensed out under Employee Benefit Expenses on page F-17 of the Red Herring Prospectus as below:

(₹ in lakhs)

| Details of Employee Benefit Expenses | January 31, 2025 | March-24 | March-23 | March-22 |
|--------------------------------------|------------------|----------|----------|----------|
| Gratuity | 31.04 | 1.09 | 19.48 | 8.43 |

Our Company has implemented the corrective actions at this time; however, there is no assurance that the same will not be repeated in the future.

Additionally, we have strengthened our internal compliance system by introducing the ‘Maker Checker’ System and have undertaken steps to update the internal database with latest circulars and amendments to ensure future compliance. In the event the Company fails to submit the requisite disclosures to the regulators in the future, then the Company may be penalised by the regulators and the same may affect our results of operations.

35. We may face competition from local and Favorable markets.

Our company operates in the manufacturing sector of blankets, curtains, bedsheet etc, a market characterized by intense competition. One of the significant risks we face is the competition from both local and unauthorized markets. Local competitors often have the advantage of lower operational costs and established customer bases within their regions. Additionally, unauthorized market participants, who may not adhere to regulatory standards and quality controls, can offer products at significantly lower prices. This can lead to price undercutting and can adversely affect our market share and profitability. To mitigate this risk, we continuously focus on enhancing our product quality, maintaining competitive pricing, and strengthening our brand reputation through effective marketing strategies.

36. As we continue to grow, we may not be able to effectively manage our growth and the increased complexity of our business, which could negatively impact our brand and financial performance.

The success of our business will depend greatly on our ability to effectively implement our operational and growth strategies. As a part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including expansion in product base, focus on consistently meeting quality standards, deepen and expand our geographical presence, strengthening up our business through effective branding, promotional and digital activities. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. Our operating expenses and capital requirements may increase significantly pursuant to our expansion and diversification plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively, or fail to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

37. Major fraud, lapses of internal control or system failures could adversely impact the company’s business.

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company’s operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

However, there have been no such occurrence or instances of the disclosed event since the incorporation of the company. The risk mentioned above shows the risks which may or may not occur in future which could impact the business of our Company.

38. We continue to explore the diversification of our business and the implementation of new products. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations, and/or starting new products. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new products or modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial, and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

39. Our insurance coverage may not adequately protect us against losses, and successful claims against us that exceed our insurance coverage could harm our results of operations and diminish our financial position.

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions, and limits on coverage. In addition, there are various types of risks and losses for which we do not maintain insurance, such as losses due to business interruption and natural disasters because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance, and results of operations.

40. Delay in delivery of the products due to breakdown of machinery.

Any breakdown or defect in the machinery and / or the equipment used for the purpose of our manufacturing process may delay the production process as a whole and result in missing deadlines in delivery of product if we are able to repair the machines or replace it within relevant timelines. Any such delays may have an adverse effect on the business of the Company

However, there have been no such occurrence or instances of the disclosed event since the incorporation of the company. The risk mentioned above shows the risks which may or may not occur in future which could impact the business of our Company.

41. Our actual results could differ from the estimates and projections used to prepare our financial statements.

The estimates and projections are based on and reflect our current expectations, assumptions, and/ or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. There can be no assurance that our expectations, estimates, assumptions, and/or projections, including with respect to future earnings and performance will prove to be correct or that any of our expectations, estimates, or projections will be achieved.

42. Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups, or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands, and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships, or joint ventures across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements. The risks we face in connection with acquisitions may include the integration of product and service offerings, coordination of R&D and marketing functions, and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

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

Since, the Issue size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised from this Issue, is hence, at the discretion of the management and the Board of Directors of Our Company and Our Company's management will have flexibility in applying the proceeds of the Issue and will not be subject to monitoring by any independent agency. The fund requirement and deployment mentioned in the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

44. Some of the KMPs is associated with our company for less than one year.

Our Key Management Personnel, Company Secretary & Compliance Officers have been associated with the Company for less than one year therefore they may not have been accustomed to the company affairs to date. *For details of Key Management Personnel and their appointment, please refer to the chapter “Our Management” beginning on the page 166 of this Red Herring Prospectus.*

45. The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price.

The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price. The details of the average cost of acquisition of Equity shares held by the Promoters are set out as below:

| Sr. No. | Name of the Promoter | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|------------------------------|--------------------|------------------------------------|
| 1. | Mr. Sawar Mal Goyal | 27,54,200 | 10.00 |
| 2. | Mr. Ananya Goyal | 9,00,000 | 8.33 |
| 3. | M/s. S.M. Goyal & Sons (HUF) | 2,00,000 | 10.00 |

46. Industry information included in this Red Herring Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial, and other industry information is either complete or accurate.

We have relied on the reports of certain independent third parties for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness, and underlying assumptions are not guaranteed, and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective 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 for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus, details of the reports are as follow:

| Sr. No. | Name of the Organization | Web link |
|---------|-------------------------------|---|
| 1. | International Monetary Fund | https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024 |
| 2. | India Brand Equity Foundation | Indian Economy Growth Rate, GDP & Economic Structure Insights IBEF, Textile Industry in India, Leading Yarn Manufacturers in India - IBEF and https://www.ibef.org/industry/manufacturing-sector-india |

Issue Specific Risks:

47. 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 exchange may not develop or be sustained after the issue. Listing and quotation does not guarantee that a market for the equity shares will develop. The issue price of the equity shares is proposed to be determined through a book building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the equity shares at the time of commencement of trading of the equity shares or at any time thereafter. The market price of the equity shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

The trading volume and market price of the equity shares may be volatile following the issue.

The market price of the equity shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- half yearly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties / governmental entities of significant claims/ proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- changes in the price of oil or gas;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

48. 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.

49. Industry information included in this Red Herring Prospectus has been derived from publicly available industry reports and/or websites. There can be no assurance that such third-party statistical financial and other industry information is either complete or accurate.

We have relied on the information from various publicly available industry reports and/or websites for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness, and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective 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 for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

50. QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six working days from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidder's ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on the listing.

51.. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.

The Equity Shares will be listed on the Stock Exchange. Under applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchange. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with the depository participant could take approximately five Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchange is expected to commence within Six Working Days of the Bid Closing Date. There could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commencing trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the periods specified in this risk factor. We could also be required to pay interest at the applicable rates if the allotment is not made, refund orders are not dispatched, or demat credits are not made to investors within the prescribed periods.

52. Any future issuance of Equity Shares may dilute the shareholding of the Investor, or any sale of Equity Shares by our Promoters 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 promoters 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 77 of this Red Herring Prospectus.* Any future issuance or sale of the equity shares of our Company by our Promoters 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.

53. We may not receive final listing and trading approvals from the Stock Exchanges and you will not be able to sell immediately on an Indian Stock Exchange any of the Equity Shares you are allotted in the Offer.

Under the SEBI ICDR Regulations, we are permitted to list the Equity Shares within three working days of the Bid/Offer Closing Date. Consequently, the Equity Shares you purchase in the Offer may not be credited to your dematerialized electronic account with Depository Participants until approximately three working days after the Bid/Offer Closing Date. You can start trading in the Equity Shares only after they have been credited to your dematerialized electronic account and final listing and trading approvals are received from the Stock Exchanges.

Further, there can be no assurance that the Equity Shares allocated to you will be credited to your dematerialized electronic account, or that trading in the Equity Shares will commence within the specified time periods. In addition, pursuant to India regulations, certain actions are required to be completed before the Equity Shares can be listed and trading may commence. Investors' book entry or dematerialized electronic accounts with Depository Participants in India are expected to be credited only after the date on which the offer and allotment is approved by our Board of Directors. There can be no assurance that the Equity Shares allocated to prospective Investors will be credited to their dematerialized electronic accounts, or that trading will commence on time after allotment has been approved by our Board of Directors, or at all

54. The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.

The Issue price of our equity Shares has been determined by Book Built Method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation after the issue and may decline below the issue price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue price. *For further details you may refer chapter titled "Basis for Issue Price" beginning on the page 98 of this Red Herring Prospectus.*

Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition

- Domestic and International Economy.

55. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the Trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

External Risk Factors

Industry Related Risks:

56. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

57. Malpractices by some players in the industry affect overall performance of emerging Companies.

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

58. Adverse publicity regarding our products could negatively impact us.

Adverse publicity regarding any of our products or similar products marketed or sold by others could negatively affect us. If any studies raise or substantiate concerns regarding the efficacy or safety of our products or other concerns, our reputation could be harmed and demand for our products could diminish, which could have a material adverse effect on growth in new customers and sales of our product, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

59. Our business may be affected by severe weather conditions and other natural disasters.

Our business activities may be materially and adversely affected by severe weather conditions, which may force us to evacuate personnel or curtail services or suspend our operations or postpone delivery of materials to our worksites. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our operations. High temperatures during summer months and the monsoon season could limit our ability to carry on our activities or to fully utilize our resources.

Other Risks:

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

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

61. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this Red Herring Prospectus.

As stated in the reports of the Auditor included in this Red Herring Prospectus under chapter **“Financial Statements as Restated”** beginning on page 195 the financial statements included in this Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

62. You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized in excess will be subject to long term capital gains tax in India at the specified rates in case STT was paid on the sale transaction. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

63. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe, and certain emerging economies in Asia. Financial turmoil in Asia, Europe, and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. For example, the full-scale military invasion of Russia into Ukraine and the subsequent sanctions placed on Russia by various countries have substantially affected the economic stability of the world and such volatility could impact our Company’s growth. In addition, the market price of oil has risen sharply since the commencement of hostilities in Ukraine, which may have an inflationary effect in India and other countries. A prolonged war or a protracted period of hostilities in Ukraine may lead to global economic disturbances.

In addition, the USA is one of India’s major trading partners and any possible slowdown in the American economy could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition, results of operation, and cash flows. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, results of operations, and cash flows, and reduce the price of the Equity Shares.

64. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in this Red Herring Prospectus.

While facts and other statistics in this Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. *These facts and other statistics include the facts and statistics included in the chapter titled “Our Industry” beginning on page 107 of this Red Herring Prospectus.* Due to possibly flawed 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, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

65. Challenges that affect the soft home furnishing industry will have an effect on our operations.

As we are engaged in the soft home furnishing industry, we are impacted by challenges that affect the industry in general. These include general economic conditions and outlook, improvements in technologies, increases in operating costs, government regulation and policy, and importantly, our competitive position in the market in general. These factors will impact us and our business on an ongoing basis. We will be constrained to respond to changes adequately to remain profitable, including bringing about changes to operations, cutting down on costs, and reassessing growth plans and strategies. We are unable to predict these challenges and cannot assure you that we will continue to maintain our current levels of financial performance.

66. Any adverse revision to India’s debt rating by a domestic or international rating agency could adversely affect our business.

India’s sovereign debt rating could be adversely affected due to various factors, including changes in tax or fiscal policy or a decline in India’s foreign exchange reserves, which are outside our control. Any adverse revisions to India’s credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures, and the price of the Equity Shares.

67. Compliance with applicable health, safety, environmental, and other governmental regulations may be costly and adversely affect our results of operations.

Compliance with applicable health, safety, environmental, and other governmental regulations is time-consuming, costly, and requires a number of dedicated personnel. We are subjected to payment of fees and levies on an ongoing basis with respect to a number of licenses, approvals, consents, and permissions we are required to obtain from governmental authorities. We are required to periodically maintain a number of records and registers and file a number of returns. Ensuring compliance requires that we hire trained personnel across our locations. Our compliance costs may adversely affect our revenue.

68. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows, and financial condition. Hostilities, terrorist attacks, civil unrest, and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease, and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows, or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic, or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

69. The rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

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

70. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.

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

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

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

72. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

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

73. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, that are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. *For further information, see "Restrictions on Foreign Ownership of Indian Securities" on page 280 of Red Herring Prospectus.*

74. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such a custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

75. Malpractices by some players in the industry affect the overall performance of emerging Companies

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regard to the safety and efficacy of the product, etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving the way for regulators for stricter entry barriers and the introduction of a code of conduct; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affect the overall performance of emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

76. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

77. Our business and activities are regulated by the Competition Act.

The Competition Act, 2002 (the "Competition Act") was enacted for the purpose of preventing practices having an adverse effect on competition in India and has mandated the Competition Commission of India (the "CCI") to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to adversely affect competition in India is void and may result in substantial penalties. Any agreement among competitors which directly or indirectly determines purchase or sale prices, directly or indirectly results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of clients in the relevant market or any other similar way, is presumed to adversely affect competition in the relevant market in India and shall be void. The Competition Act also prohibits the abuse of dominant position by any enterprise. Further, if it is proved that any contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and may be punished.

Consequently, all agreements entered into by us may fall within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination adversely affects competition in India. The applicability of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, may adversely affect our business, results of operations and prospects.

SECTION IV: INTRODUCTION

THE ISSUE

Present Issue in Terms of this Red Herring Prospectus:

| Particulars | No. of Equity Shares |
|--|--|
| Equity Shares Offered through Public Issue ⁽¹⁾⁽²⁾ | Issue of up to 19,05,600* Equity Shares of the face value of ₹ 10.00 each fully paid of the Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] |
| Out Of Which: | |
| Reserved for Market Maker | Upto 3,13,600 Equity Shares of the face value of ₹ 10.00 each fully paid of the Company for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] |
| Net Issue to the Public | Upto 15,92,000 Equity Shares of the face value of ₹ 10.00 each fully paid of the Company for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] |
| Of which: | |
| A. QIB Portion ⁽³⁾⁽⁴⁾ | Not more than [●] Equity Shares (not more than 50%) aggregating up to ₹ [●] lakhs |
| Of which: | |
| i) Anchor Investor Portion | Upto [●] Equity Shares aggregating up to ₹ [●] lakhs |
| ii) Net QIB Portion | Upto [●] Equity Shares aggregating up to ₹ [●] lakhs |
| Of which: | |
| a. Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | [●] Equity Shares aggregating up to ₹ [●] lakhs |
| b. Balance of QIB Portion for all QIBs including Mutual Funds | [●] Equity Shares aggregating up to ₹ [●] lakhs |
| B. Non-Retail Investors Portion | Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs |
| C. Retail Investors Portion | Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs |
| Pre and Post-Issue Share Capital of our Company: | |
| Equity Shares outstanding prior to the Issue | 44,62,023 Equity Shares |
| Equity Shares Outstanding after the Issue | [●] Equity Shares |
| Use of Issue Proceeds | For details, please refer chapter titled ' Objects of the Issue ' beginning on the page 87 of this Red Herring Prospectus. |

* Subject to Finalization of Basis of Allotment

Notes:

- ⁽¹⁾ The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation 229 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company is being offered to the public for subscription.
- ⁽²⁾ The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 02, 2024, and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62 (1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on June 11, 2024.
- ⁽³⁾ The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB, and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.
- ⁽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. Our Company may, in consultation with the Book Running Lead



Manager, 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 Anchor.

- (5) Our Company may, in consultation with the Book Running Lead Manager, 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 Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the *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 *QIB* Portion 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. However, if the aggregate demand from Mutual Funds is less than 5% of the Net *QIB* Portion, 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 further details, please refer section titled “Issue Procedure” beginning on page 250 of this Red Herring Prospectus.

SUMMARY OF FINANCIAL STATEMENTS

| SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited) CIN - U17110DL2016PLC298888 | | | | | |
|--|---|---|-------------------------------------|-------------------------------------|-------------------------------------|
| RESTATED STATEMENT OF ASSETS & LIABILITIES | | | | | |
| Amount (₹ In Lakhs, unless otherwise stated) | | | | | |
| Sr. No | Particulars | For Ten months Ended January 31, 2025 | For the Year Ended 31.03.2024 | For the Year Ended 31.03.2023 | For the Year Ended 31.03.2022 |
| I | EQUITY AND LIABILITIES | | | | |
| 1 | Shareholders' Funds | | | | |
| | (a) Share Capital | 446.20 | 446.20 | 385.45 | 385.45 |
| | (b) Reserves and Surplus | 1,984.88 | 1,067.81 | 75.09 | (26.38) |
| | Total | 2,431.08 | 1,514.02 | 460.54 | 359.07 |
| 2 | Non-current liabilities | | | | |
| | (a) Long-term Borrowings | 660.17 | 883.60 | 500.77 | 692.50 |
| | (b) Other Non Current Liabilities | - | - | - | 2.58 |
| | (c) Long-term Provisions | 56.93 | 28.69 | 30.50 | 13.28 |
| | Total | 717.10 | 912.29 | 531.27 | 708.36 |
| 3 | Current liabilities | | | | |
| | (a) Short-term Borrowings | 1,414.52 | 1,688.87 | 2,378.90 | 2,407.13 |
| | (b) Trade Payables | | | | |
| | (A) Due to Micro and Small Enterprises | 36.99 | 0.53 | - | - |
| | (B) Due to Others | 1,726.58 | 638.83 | 366.48 | 112.20 |
| | (c) Short-term Provisions | 350.99 | 225.89 | 39.20 | 6.30 |
| | (d) Other Current Liabilities | 193.01 | 88.30 | 293.47 | 114.15 |
| | Total | 3,722.09 | 2,642.43 | 3,078.05 | 2,639.78 |
| | Total Equity and Liabilities | 6,870.28 | 5,068.73 | 4,069.86 | 3,707.21 |
| II | ASSETS | | | | |
| 1 | Non-current assets | | | | |
| | (a) Property, Plant and Equipment and Intangible Assets | | | | |
| | (i) Property, Plant and Equipment | 1,193.61 | 1,328.54 | 1,528.11 | 1,440.61 |
| | (ii) Intangible Assets | | | | |
| | (iii) Capital Work-in-progress | 19.94 | - | - | 315.00 |
| | (b) Deferred Tax Liabilities (Net) | 40.99 | 29.27 | 25.16 | 14.78 |
| | (c) Non-current Investments | - | - | - | - |
| | (e) Long-term Loans and Advances | - | - | - | - |
| | (f) Other Non-current Assets | 12.39 | 12.29 | 11.93 | 18.38 |
| | Total | 1,266.93 | 1,370.11 | 1,565.19 | 1,788.77 |
| 2 | Current assets | | | | |
| | (a) Inventories | 1,503.38 | 1,668.78 | 1,299.74 | 938.57 |
| | (b) Cash and cash equivalents | 4.45 | 4.55 | 20.22 | 40.48 |
| | (c) Short-term Loans and Advances | 2,160.70 | 1,116.51 | 188.54 | 123.18 |
| | (d) Trade Receivables | 1,934.82 | 908.77 | 995.60 | 815.09 |

| | | | | | |
|--|--------------------------|-----------------|-----------------|-----------------|-----------------|
| | (e) Other Current Assets | - | - | 0.56 | 1.12 |
| | Total | 5,603.35 | 3,698.60 | 2,504.67 | 1,918.44 |
| | | | | | |
| | Total Assets | 6,870.28 | 5,068.73 | 4,069.86 | 3,707.21 |

| SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited) CIN - U17110DL2016PLC298888 | | | | |
|--|---|-------------------------------------|-------------------------------------|----------------------------------|
| Restated Statement of Profit and Loss | | | | |
| Amount (₹ In Lakhs, unless otherwise stated) | | | | |
| Particulars | For Ten months Ended January 31, 2025 | For the Year Ended 31.03.2024 | For the Year Ended 31.03.2023 | For the Year Ended 31.03.2022 |
| INCOME | | | | |
| I. Revenue from Operations | 10,501.15 | 6,970.49 | 6,830.76 | 5,012.10 |
| II. Other Income | 33.80 | 55.76 | 4.69 | 4.68 |
| III. Total Income | 10,534.96 | 7,026.25 | 6,835.44 | 5,016.78 |
| | | | | |
| IV. Expenses | | | | |
| Cost of Material Consumed | 5,799.17 | 5,644.75 | 5,849.50 | 4,438.92 |
| Purchase of Stock in Trade | 2,332.48 | 580.62 | 176.31 | 568.36 |
| Change in Inventories of work in progress and finished goods | 548.05 | (743.82) | (104.97) | (591.68) |
| Employee Benefit Expenses | 148.01 | 132.33 | 130.09 | 125.41 |
| Finance Costs | 161.91 | 197.20 | 158.60 | 147.63 |
| Depreciation and Amortization Expenses | 147.35 | 209.31 | 242.29 | 195.21 |
| Other Expenses | 160.19 | 255.14 | 236.23 | 173.17 |
| V. Total expenses | 9,297.16 | 6,275.55 | 6,688.06 | 5,057.04 |
| | | | | |
| VI. Profit/(Loss) before Extraordinary item and Tax | 1,237.80 | 750.70 | 147.38 | (40.26) |
| VII. - Prior period item | 0.80 | - | (8.50) | (1.31) |
| VII. - CSR Expenses | (5.72) | - | - | - |
| VIII. Profit/(Loss) before Tax | 1,232.88 | 750.70 | 138.88 | (41.57) |
| IX. Tax Expenses | | | | |
| -Current Tax | 328.92 | 201.34 | 51.04 | - |
| -Deferred Tax | (11.71) | (4.12) | (10.38) | (5.44) |
| -Earlier Year TAX | (1.40) | - | - | 5.64 |
| | 315.81 | 197.22 | 40.66 | 0.20 |
| X. Profit/(Loss) for the year | 917.07 | 553.48 | 98.22 | (41.77) |
| | | | | |
| XI. Earnings Per Share (Face Value per Share ₹10 each) | | | | |
| (i) Basic (In Rs) | 20.55 | 13.74 | 2.55 | (1.08) |
| (ii) Diluted (In Rs) | 20.55 | 13.74 | 2.55 | (1.08) |



| SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited) CIN - U17110DL2016PLC298888 | | | | |
|--|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Restated Cash Flow Statement | | | | |
| Amount (₹ In Lakhs, unless otherwise stated) | | | | |
| Particulars | For Ten months Ended January 31, 2025 | For the Year Ended 31.03.2024 | For the Year Ended 31.03.2023 | For the Year Ended 31.03.2022 |
| Cash Flow from Operating activities | | | | |
| Profit before tax | 1,232.88 | 750.70 | 138.88 | (41.57) |
| Adjustments to reconcile profit/(loss) before tax to net cash flows: | | | | |
| Depreciation and amortization expense | 147.35 | 209.31 | 242.29 | 195.21 |
| Finance Costs | 155.83 | 188.26 | 148.25 | 144.21 |
| Interest Income | (0.52) | 0.00 | (0.33) | (3.44) |
| Provision for Tax | (328.98) | (201.34) | (47.79) | (5.64) |
| Working capital adjustments: | | | | |
| Decrease/(Increase) in inventories | 165.39 | (369.03) | (361.17) | (633.18) |
| Decrease/(Increase) in trade receivable | (1,026.05) | 86.84 | (180.51) | (68.74) |
| Decrease/(Increase) in Other current assets | - | 0.56 | 0.56 | 5.23 |
| Decrease/(Increase) in non-current assets | (0.10) | (0.36) | 6.45 | - |
| Increase/(Decrease) in Other Non- current liabilities | - | - | (2.58) | |
| Decrease/(Increase) in short loans and advances | (1,044.18) | (927.96) | (65.36) | 266.85 |
| Decrease/(Increase) in long loans and advances | - | - | - | 24.72 |
| Increase/(Decrease) in current provision | 236.25 | 217.49 | 44.90 | 2.44 |
| Increase/(Decrease) in Other current liabilities | 104.71 | (205.17) | 179.32 | 79.77 |
| Increase/(Decrease) in trade payables | 1,124.21 | 272.88 | 254.28 | 108.05 |
| Increase/(Decrease) in non-current provision | 28.24 | (1.81) | 17.22 | 6.89 |
| Total cash from operations | 795.09 | 20.38 | 374.41 | 80.80 |
| Income taxes | (109.76) | (30.80) | (12.00) | - |
| Net Cash flow from operating Activities (A) | 685.33 | (10.42) | 362.41 | 80.80 |
| Cash Flow from Investing activities | | | | |
| Purchase of property, plant and equipment | (32.35) | (16.20) | (14.79) | (573.37) |
| Sale of PPE | - | 6.45 | - | - |
| Interest received | 0.52 | (0.00) | 0.33 | 3.44 |
| Net cash used in investing activities (B) | (31.83) | (9.75) | (14.46) | (569.93) |
| Cash flow from Financing Activities | | | | |
| Proceeds(repayment) from short term borrowing, net | (274.35) | (690.03) | (28.23) | 1,719.49 |
| Proceeds(repayment) from long term borrowings, net | (223.42) | 382.82 | (191.73) | (1,086.96) |
| Interest Cost | (155.83) | (188.26) | (148.25) | (144.21) |
| Proceeds(repayment) from Issue of Share | - | 499.99 | - | - |
| Net cash used in financing activities (C) | (653.60) | 4.52 | (368.21) | 488.32 |
| Movement in Minority Interest | - | - | - | - |
| Net increase in cash and cash | (0.10) | (15.65) | (20.27) | (0.81) |

| | | | | |
|--|-------------|--------------|--------------|--------------|
| equivalents(D=A+B+C) | | | | |
| Cash and cash equivalents at the beginning of the financial year E) | 4.55 | 20.22 | 40.48 | 41.29 |
| Cash and cash equivalents at the end of the period/year (D+E) | 4.45 | 4.55 | 20.22 | 40.48 |

Note:-

1. Components of Cash & Cash Equivalent

| Particulars | For Ten months Ended January 31, 2025 | For the Year Ended 31.03.2024 | For the Year Ended 31.03.2023 | For the Year Ended 31.03.2022 |
|---|--|--------------------------------------|--------------------------------------|--------------------------------------|
| (a) Balance with banks: | | | | |
| - On current account | 0.99 | - | - | 0.11 |
| - Cheque in hamd | - | - | 15.00 | - |
| - Deposits with original maturity of less than 3 months | - | - | - | 37.83 |
| (b) Cash on hand | 3.45 | 4.55 | 5.22 | 2.53 |
| Total cash and cash equivalents as per Balance Sheet | 4.45 | 4.55 | 20.22 | 40.48 |

SECTION V: GENERAL INFORMATION

Our Company was originally incorporated on May 01, 2016, as a Private Limited Company in the name and style of ‘Silky Overseas Private Limited’ under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on October 19, 2023, our Company was converted from a Private Limited Company to a Public Limited Company and consequently, the name of our Company was changed to ‘Silky Overseas Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 07, 2023 by the Registrar of Companies, Delhi.

For details in relation to the incorporation, Registered Office, and other details, please refer to the chapter titled “Our History and Certain Other Corporate Matters” beginning on page 162 of this Red Herring Prospectus.

| BRIEF COMPANY AND ISSUE INFORMATION | |
|---|--|
| Registration Number | 298888 |
| Corporate Identification Number | U17110DL2016PLC298888 |
| Date of Incorporation as Private Limited Company | May 01, 2016 |
| Date of Incorporation as Public Limited Company | November 07, 2023 |
| Address of Registered Office | F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India. Contact No.: +91 74040 88823 Email Id: info@silkyoverseas.com Website: www.silkyoverseas.com |
| Address of Registrar of Companies | Registrar of Companies, Delhi 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019 Contact No.: 011-26235703 Email Id: roc.delhi@mca.gov.in Website: www.mca.gov.in |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai 400051, India Website: www.nseindia.com Contact No: 022-2659 8100/ 2659 8114 / 66418100 Fax No: 022 2659 8120 |
| Issue Programme | Anchor Portion Issue Opens / Closes on: Friday, June 27, 2025 Issue Opens on: Monday, June 30, 2025 Issue Closes on: Wednesday, July 02, 2025 |
| Chief Financial Officer | Mr. Amalendu Kumar F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India Contact No.: +91 7404088823 Email Id: cfo@silkyoverseas.com Website: www.silkyoverseas.com |
| Company Secretary and Compliance Officer | Ms. Sakshi Sareen F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India Contact No.: +91 74040 88823 Email Id: cs@silkyoverseas.com Website: www.silkyoverseas.com |

OUR BOARD OF DIRECTORS

Details regarding our Board of Directors as of the date of this Red Herring Prospectus are set forth in the table hereunder:

| Name | Designation | Address | DIN |
|---------------------|--|--|----------|
| Mr. Sawar Mal Goyal | Managing Director | House no 44, Engineers Enclave, Pitampura, Saraswati Vihar North West Delhi -110034, India | 01896767 |
| Mr. Ananya Goyal | Whole-time Director | House no 44, Engineers Enclave Pitampura, Saraswati Vihar North West Delhi -110034, India | 07492850 |
| Ms. Shweta Bansal | Independent Director | House no. 633, First Floor, Near Sun Flag Hospital, Sector-16, Kheri Kalan (113), Faridabad-121002, Haryana, India | 08396474 |
| Mr. Jay Kumar Shaw | Independent Director | 7/1gr, Marhatta Ditch Lane 7, Shyampukur, Baghbazar, Kolkata- 700003, West Bengal, India | 09627535 |
| Mr. Manoj Dalmia | Additional Director (Non-Executive Director) | D-68, Flat no. 102, Shyam Dhaam Appartment Madho Singh Road, Banipark, Jaipur, Rajasthan 302006 | 10549692 |

For a detailed profile of our Directors, refer to “Our Management” on page 166 respectively of this Red Herring Prospectus.

INVESTOR GRIEVANCES

Investors may contact our Company Secretary and Compliance Officer and /or the Registrar to the Issue and /or the Book Running Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

All grievances in relation to the application through the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Issue-related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries, or comments received by the Stock Exchange / SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicant DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant Book Running Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue-related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY

| BOOK RUNNING LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE AND COMPANY |
|--|---|
| GRETEX CORPORATE SERVICES LIMITED A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near India Bulls, Dadar (w), Delisle Road, Mumbai, Mumbai-400013, Maharashtra, India. Contact No.: +91 93319 26937 Email Id: info@gretexgroup.com Website: www.gretexcorporate.com Contact Person: Mr. Pradip Agarwal SEBI Registration No: INM000012177 CIN: L74999MH2008PLC288128 | SKYLINE FINANCIAL SERVICES PRIVATE LIMITED D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, India Contact No.: 011-40450193-197 E-mail Id: ipo@skylinerta.com Investor Grievance E-mail: grievances@skylinerta.com Website: www.skylinerta.com Contact Person: Mr. Anuj Rana SEBI Registration No.: INR000003241 CIN: U74899DL1995PTC071324 |
| LEGAL ADVISOR TO THE ISSUE | STATUTORY AND PEER REVIEW AUDITOR OF THE COMPANY |
| VICTORIAM LEGALIS ADVOCATES & SOLICITORS | M/s. MANISH PANDEY & ASSOCIATES Chartered Accountants, |



| | |
|--|---|
| 1085, Hotel Sahara Star, Opposite Domestic Airport, Vile Parle East, Mumbai – 400099, Maharashtra, India Contact No.: +91 97183 77219 Contact Person: Ms. Kritika Seth Website: www.victoriamlegalis.com Email: kritika@victoriamlegalis.com | B-102, 1 st Floor, Sector 6, Noida-201301 Contact No.: +91 99996 86936 E-mail Id: mpadesk16@gmail.com Contact Person: CA Ravinder Panwar Membership No: 549996 Firm Registration No: 019807C Peer Review No: 014953 |
| BANKER TO THE COMPANY | BANKERS TO THE ISSUE / SPONSOR BANK |
| Bank of Baroda B-3/2, Ashok Vihar, Phase-II, New Delhi Contact No.: +91 96671 11539 Email Id: akshay.karnatak@bankofbaroda.com Website: www.bankofbaroda.com Contact Person: Mr. Akshay Karnatak | AXIS BANK LIMITED Ground Floor, Geeta Construction Co., Anand Cinema Station Road, Thane East, Maharashtra – 400 603 Tel. No.: +91 97020 34743 Fax No.: NA Email: thaneeast.branchhead@axisbank.com Website: www.axisbank.com Contact Person: Ms. Pooja Tendulkar |
| SYNDICATE MEMBER | |
| Gretex Share Broking Limited A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai- 400013, Maharashtra, India. Tel No.: +91 22 6930 8500 Email: compliance@gretexbroking.com Contact Person: Mr. Jignesh Jayantilal Lathigra SEBI Registration No: INZ000166934 CIN: U65900MH2010PLC289361 | |

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

| Sr. No | Date of Change | From | To | Reason for Change |
|--------|--|---|--|--|
| 1. | Date of Resignation: March 05, 2024 Date of Appointment: April 02, 2024 | M/s. Virendra & Associates Chartered Accountants, 67, Ch. Charan Singh Market, Mahaveer Chowk, Muzaffarnagar-251001, Uttar Pradesh-UP Contact No.: 0131-2621380 E-mail: virendraassociate@gmail.com Contact Person: CA Mayank Gupta Membership No: 549968 Firm Registration No: 001877C | M/s. Manish Pandey & Associates Chartered Accountants, B-102 First Floor, Sector 6 Noida-201301, Uttar Pradesh Contact No: +91 99996 86936 E-mail: mpadesk16@gmail.com Contact Person: CA Ravinder Panwar Membership No: 513611 Firm Registration No: 019807C Peer Review No: 014953 | The previous Auditors were not Peer Reviewed firm. |

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 the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the above-mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website www.sebi.gov. in at the following path: Home >> Intermediaries / Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investors shall ensure that when applying for an IPO using UPI, the name of their Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

SYNDICATE SCSB BRANCHES

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with UPI Circulars, RIIs Applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>), as updated from time to time. A list of SCSBs and mobile applications, which are live for application in public issues using the UPI mechanism is provided as 'Annexure A' to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

REGISTERED BROKERS

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 SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Application 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 at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

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

BROKERS TO THE ISSUE

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

STATEMENT OF RESPONSIBILITY OF THE BOOK RUNNING LEAD MANAGER / STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Gretex Corporate Services Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Book Running Lead Manager is not required.

CREDIT RATING

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

IPO GRADING

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

EXPERT OPINION

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

Our Company has received written consent dated July 05, 2024, from Statutory and Peer Review Auditor namely, M/s Manish Pandey & Associates, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in respect of its (i) examination report dated June 23, 2025, on our Restated Financial Information; and (ii) its report dated June 23, 2025 on the statement of Special Tax Benefits in this Red Herring Prospectus. The aforementioned consents have not been withdrawn as of the date of this Red Herring Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

TRUSTEES

This is an issue of equity shares hence appointment of trustees is not required.

DEBENTURE TRUSTEES

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

MONITORING AGENCY

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹ 10,000.00 Lakhs.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company’s balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Red herring prospectus.

GREEN SHOE OPTION

No Green Shoe Option is applicable for this Issue.

APPRAISAL AGENCY

Our Company has not appointed any appraising agency for the appraisal of the Project.

FILING OF ISSUE DOCUMENT

The Draft Red Herring Prospectus is being filed with Emerge Platform of National Stock Exchange India Limited (“NSE Emerge”) Exchange Plaza, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus / Prospectus, along with the documents required to be filed under Sections 26 & 32 of the Companies Act, 2013 will be filed to the Registrar of Companies Office situated at Registrar of Companies, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019.

BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book

Running Lead Manager in accordance with the Book Building Process and advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Delhi edition of regional newspaper Pratah Kiran where our registered office is situated at least two working days prior to the Bid / Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid / Issue Closing Date. The principal parties involved in the Book Building Process are: -

- Our Company;
- The Book Running Lead Manager in this case is Gretex Corporate Services Limited.
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with Exchanges 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 book-building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the Book Running Lead Manager allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank accounts 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 spillover 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 Designated Stock Exchange.

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. Retail Individual Bidders 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 the Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category, would be allowed to be met with spillover 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 spillover 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 issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. *For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on the page 250 of this Red Herring Prospectus.*

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

For further details on the method and procedure for Bidding, please see the section entitled “**Issue Procedure**” on the page 250 of this 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; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20.00 to ₹24.00 per share, Issue size of 3,000 Equity Shares, and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | 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 Book Running Lead Manager, 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 the section titled “**Issue Procedure**” on the page 250 of this 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 the correctness of your PAN, DP ID, and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim, and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

Bid / Issue Program:

| Event | Indicative Dates |
|---|--|
| Bid / Issue Opening Date | Monday, June 30, 2025 ⁽¹⁾ |
| Bid / Issue Closing Date | Wednesday, July 02, 2025 ⁽²⁾⁽³⁾ |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or about Thursday, July 03, 2025 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or about Friday, July 04, 2025 |
| Credit of Equity Shares to Demat accounts of Allottees | On or about Friday, July 04, 2025 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or about Monday, July 07, 2025 |

Note:

⁽¹⁾ Our Company in consultation with the Book Running Lead Manager, considered participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Issue Period was opened for one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI ICDR Regulations.

⁽²⁾ Our Company in consultation with the Book Running Lead Manager, is considering closing the Bid / Issue Period for QIBs

⁽³⁾ One Working Day prior to the Bid / Issue Closing 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 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 Retail Individual Applicant on Bid / Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid / Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid / Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid / Issue Closing Date. Any time mentioned in this 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 Book Running Lead Manager is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software / hardware system or otherwise.

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

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

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give the reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and 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 Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated July 05, 2024, Pursuant to the terms of the Underwriting Agreement the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue:

| Details of the Underwriter | No. of shares Underwritten | Amount Underwritten (₹ in Lakh) | % of the Total Issue Size Underwritten |
|---|----------------------------|---------------------------------|--|
| Gretex Corporate Services Limited A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near India Bulls, Dadar (w), Delisle Road, Mumbai-400013, Maharashtra, India. Contact No.: +91 93319 26937 Email Id: info@gretexgroup.com Website: www.gretexcorporate.com Contact Person: Mr. Pradip Agarwal SEBI Registration No.: INM000012177 CIN: L74999MH2008PLC288128 | Upto 9,52,800 | [•] | 50% |
| Gretex Share Broking Limited A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near India Bulls Dadar (W), Delisle Road, Mumbai-400013, Maharashtra, India. Contact No.: 022 6930 8500 Email Id: compliance@gretexbroking.com Contact Person: Mr. Jignesh Jayantilal Lathigra SEBI Registration No: INZ000166934 Market Maker Member Code.: 90287 CIN: U65900MH2010PLC289361 | Upto 9,52,800 | [•] | 50% |
| TOTAL | Upto 19,05,600 | [•] | 100% |

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on the certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Book Running Lead Manager shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure/subscribe to Equity Shares to the extent of the defaulted amount. If the Underwriter(s) fails to fulfil its underwriting obligations as set out in the Underwriting Agreement, the Book Running Lead Manager shall fulfil the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THE ISSUE

Our Company has entered into Market Making Agreement dated July 05, 2024 and addendum to this agreement dated June 14, 2025 with the Book Running Lead Manager and Market Maker to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

| | |
|--------------------|--|
| Name | Gretex Share Broking Limited |
| Address | A-401, Floor 4 th , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near India Bulls Dadar (W), Delisle Road, Mumbai-400013, Maharashtra, India. |
| Contact No. | +91 022 6930 8500 |

| | |
|---------------------------------|--|
| Email Id | compliance@gretexbroking.com |
| Contact Person | Mr. Jignesh Jayantilal Lathigra |
| CIN | U65900MH2010PLC289361 |
| SEBI Registration No. | INZ000166934 |
| Market Maker Member code | 90287 |

Gretex Share Broking Limited, registered with SME Platform of BSE Limited and Emerge Platform of National Stock Exchange of India 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.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") 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 (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- 2) The 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 the NSE Emerge (Emerge platform of NSE) and SEBI from time to time.
- 3) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the Emerge platform of National Stock Exchange of India Limited (in this case currently the minimum trading lot size is 800 equity shares; however, the same may be changed by the Emerge platform of National Stock Exchange of India Limited from time to time).
- 4) The minimum depth of the quote shall be ₹1.00 Lakhs. However, the investors with holdings of value less than ₹1.00 Lakhs shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 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% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Equity Shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, 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 concerned stock exchange may intimate the same to SEBI after due verification.
- 7) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- 8) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Gretex Share Broking Limited is acting as the sole Market Maker.
- 9) The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") and Market Maker will remain present as per the guidelines mentioned under the National Stock Exchange of India Limited and SEBI circulars.
- 10) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 11) The Market Maker shall have the right to terminate said arrangement by giving a three-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.

- 12) 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 Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
- 13) Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
- 14) Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- 15) 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.
- 16) 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:
 - a. 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.
 - b. 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.

Additionally, the trading shall take place in the TFT segment for the first 10 days from the commencement of trading. The following spread will be applicable on the Emerge Platform of the National Stock Exchange of India Limited (“NSE Emerge”).

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

- 1) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for the market maker(s) during the market-making process have been made applicable, based on the issue size and as follows:

| Issue Size | Buy quote exemption threshold (Including mandatory initial inventory of 5 % of the Issue Size) | Re-Entry threshold for buy quote (including mandatory initial inventory of 5 % of the Issue Size) |
|---------------------|--|---|
| Up to ₹ 20 Crores | 25% | 24% |
| ₹ 20 to ₹ 50 Crores | 20% | 19% |
| ₹ 50 to ₹ 80 Crores | 15% | 14% |
| Above ₹ 80 Crores | 12% | 11% |

- 2) 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 the Stock Exchange from time to time.

On the first day of listing, there will be a pre-open session (call auction), and thereafter trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the



pre-open call auction. The securities of the Company will be placed in SPOS and will remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

SECTION VI: CAPITAL STRUCTURE

The Equity Share Capital of our Company, as of the date of this Red Herring Prospectus and after giving effect to the Issue is set forth below:

| Sr. No. | Particulars | Amount | |
|-----------|--|--------------------------------|--------------------------------|
| | | (₹ in Lakhs except share data) | |
| | | Aggregate Nominal Value | Aggregate value at Issue Price |
| A. | Authorised Share Capital ⁽¹⁾ | | |
| | 1,50,00,000 Equity Shares of ₹ 10.00 each | 1,500.00 | - |
| B. | Issued, Subscribed, and Paid-Up Share Capital before the Issue | | |
| | 44,62,023 Equity Shares of ₹ 10.00 each | 446.20 | - |
| C. | Present Issue in terms of this Red Herring Prospectus ⁽²⁾ | | |
| | Fresh Issue of up to 19,05,600* Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) | Upto 190.56 | [●] |
| | Which comprises: | | |
| D. | Reservation for Market Maker portion | | |
| | Upto 3,13,600 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) | Upto 31.36 | [●] |
| E. | Net Issue to the Public ⁽³⁾ | | |
| | Upto 15,92,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) | Upto 159.20 | [●] |
| | Of which ⁽²⁾: | | |
| | Upto [●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Retail Individual Investors of upto ₹ 2.00 Lakhs | [●] | [●] |
| | Upto [●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Qualified Institutional Buyers of above ₹ 2.00 Lakhs | [●] | [●] |
| | Upto [●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Non-Institutional Investors of above ₹ 2.00 Lakhs | [●] | [●] |
| F. | Issued, Subscribed, and Paid-up Share Capital after the Issue | | |
| | [●] Equity Shares of ₹ 10.00 each | [●] | [●] |
| G. | Securities Premium Account | | |
| | Before the Issue | 439.24 | |
| | After the Issue | [●] | |

* Subject to Finalization of Basis of Allotment

⁽¹⁾ For details in relation to the changes in the authorized share capital of our Company, please refer to the section titled “History and Certain Other Corporate Matters – Amendments to our Memorandum of Association” on page 162.

⁽²⁾ The Issue has been authorized by a resolution of our Board of Directors through their meeting dated June 02, 2024, and by a special resolution of our Shareholders at the Extraordinary General Meeting dated June 11, 2024.

⁽³⁾ Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any



of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spillover, if any, would be affected in accordance with applicable laws, rules, regulations, and guidelines.

CLASS OF SHARES

As of the date of this Red Herring Prospectus, our Company has only one class of shares i.e., Equity Shares of ₹10.00 each. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as of the date of this Red Herring Prospectus.

NOTES TO CAPITAL STRUCTURE

1. Changes in Authorized Equity Share Capital of our Company

| Sr. No. | Particulars of increase | Cumulative No. of Equity Shares | Face Value (₹) | Cumulative Authorised Share Capital | Date of Meeting | Whether AGM / EGM |
|---------|--------------------------------|---------------------------------|----------------|-------------------------------------|-------------------|-------------------|
| 1. | On Incorporation | 20,00,000 | 10.00 | 2,00,00,000 | May 01, 2016 | N.A. |
| 2. | Increase in Authorised Capital | 40,00,000 | 10.00 | 4,00,00,000 | August 22, 2016 | EGM |
| 3. | Increase in Authorised Capital | 1,50,00,000 | 10.00 | 15,00,00,000 | November 25, 2023 | EGM |

2. History of Issued and Paid-Up Share Capital of our Company

The history of the equity share capital of our Company is set forth below:

| Date of allotment | Number of Equity Shares allotted | Face value (₹) | Issue Price (₹) | Nature of Consideration | Nature of allotment | Cumulative number of Equity Shares | Cumulative paid-up Equity Share capital (₹) | Cumulative Securities Premium (₹) |
|-------------------|----------------------------------|----------------|-----------------|-------------------------|---------------------------|------------------------------------|---|-----------------------------------|
| May 01, 2016 | 10,000 | 10.00 | 10.00 | Cash | Subscriber to the MOA (I) | 10,000 | 1,00,000.00 | - |
| October 13, 2016 | 38,44,500 | 10.00 | 10.00 | Cash | Private Placement (II) | 38,54,500 | 3,85,45,000.00 | - |
| December 18, 2023 | 6,07,523 | 10.00 | 82.30 | Cash | Right Issue (III) | 44,62,023 | 4,46,20,230.00 | 4,39,23,912.90 |

i. Initial Subscribers to the Memorandum of Association of our Company incorporated on May 01, 2016, of Face Value of ₹10.00 each as per details given below on Incorporation:

| Sr. No | Names of Allottees | Number of Equity Shares |
|--------|---------------------|-------------------------|
| 1 | Mr. Sawar Mal Goyal | 5,000 |
| 2 | Mr. Anish Singhal | 5,000 |
| | TOTAL | 10,000 |

ii. Private Placement of 38,44,500 Equity Shares on October 13, 2016, having a Face Value of ₹10.00 each as per details given below:

| Sr. No | Names of Allottees | Number of Equity Shares |
|--------|-----------------------------|-------------------------|
| 1. | Mr. Sawar Mal Goyal | 26,44,500 |
| 2 | Mr. Ram Kali Devi | 1,00,000 |
| 3. | Mr. Ananya Goyal | 5,00,000 |
| 4. | Ms. Rishika Goyal | 1,50,000 |
| 5. | M/s. S M Goyal & Sons (HUF) | 2,00,000 |
| 6. | Mr. Vinod Gupta | 1,00,000 |
| 7. | Mr. Vinod Gupta HUF | 1,50,000 |
| | TOTAL | 38,44,500 |



- iii. **Right Issue of 6,07,523 Equity Shares on December 18, 2023, in the ratio of 0.16:1 i.e., 0.16 (Point Sixteen) Right Shares for 1 (One) Equity Share held by the existing equity shareholders as on the record date i.e. November 26, 2023, having a Face Value of ₹10.00 each as per details given below:**

| Sr. No | Names of Allottees | Number of Equity Shares |
|--------|---|-------------------------|
| 1 | Mr. Shishir Agarwal | 15,188 |
| 2 | Mr. Mohit Jain | 20,230 |
| 3 | Ms. Radhika Bansal | 40,522 |
| 4 | Ms. Bijal Chandresh Dedhia | 30,376 |
| 5 | Mr. Ajaiya Mehrotra | 15,188 |
| 6 | Mr. Rahul Aggarwal | 15,188 |
| 7 | Mr. Vineet Gupta | 30,376 |
| 8 | Mr. Sumit Gupta | 30,376 |
| 9 | Mr. Saurabh Gupta | 30,376 |
| 10 | Mr. Amanveer Singh | 30,376 |
| 11 | Mr. Uttamjit Singh Sabharwal | 30,376 |
| 12 | Ms. Gunjan Aggarwal | 30,376 |
| 13 | Ms. Swati Goyal | 30,376 |
| 14 | Mr. Pranav Kant | 30,376 |
| 15 | M/s. Intellect Endeavours LLP | 60,753 |
| 16 | M/s. Rahul Aggarwal HUF | 15,188 |
| 17 | M/s. Ava Paisa Growth Private Limited | 60,753 |
| 18 | Mr. Kanushi Enterprise through its proprietor Akshay Aggarwal | 60,753 |
| 19 | M/s. Goyal Agritrade Private Limited | 30,376 |
| | Total | 6,07,523 |

3. We have not issued any Equity Shares for consideration other than cash.
4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956, and Section 230-234 of the Companies Act, 2013.
5. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under the Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
7. Our Company has not Issued Equity Shares at a price lower than the Issue Price during the preceding 1 (one) year:
8. **Our Shareholding Pattern**
 - a) **The table below presents the current shareholding pattern of our Company as of the date of this Red Herring Prospectus.**

| 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+C) | Number of Voting Rights held in each class of securities (IX) | | | | No. of Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C) | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
|--------------|--------------------------------|----------------------------|--|--|---|--|--|---|------------------|-----------|-------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|---|
| | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No (a) | As a % of total Shares held (b) | No (a) | As a % of total Shares held (b) | |
| | | | | | | | | Class-Equity | Class Preference | Total | | | | | | | | |
| A | Promoters & Promoter Group | 6 | 38,54,500 | - | - | 38,54,500 | 86.38 | 38,54,500 | - | 38,54,500 | 86.38 | - | 86.38 | - | - | - | - | 38,54,500 |
| B | Public | 19 | 6,07,523 | - | - | 6,07,523 | 13.62 | 6,07,523 | - | 6,07,523 | 13.62 | - | 13.62 | - | - | - | - | 6,07,523 |
| C | Non - Promoter Non -Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C1 | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C2 | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 25 | 44,62,023 | - | - | 44,62,023 | 100.00 | 44,62,023 | - | 44,62,023 | 100.00 | - | 100.00 | - | - | - | - | 44,62,023 |

Note

- As of date of this Red Herring Prospectus 1 Equity share holds 1 vote.
- We have only one class of Equity Shares with a face value of ₹10.00 each.
- Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before the commencement of trading of such Equity Shares.

b) Equity Shareholding of Directors and Key Managerial Personnel and senior management in our Company:

Except as stated below, none of our directors Key Managerial Personnel, or senior management hold any Equity Shares in our Company:

| Sr. No. | Name of Shareholder | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares | % of Post-Issue Capital |
|---------|---------------------|----------------------|------------------------|----------------------|-------------------------|
| 1 | Mr. Sawar Mal Goyal | 27,54,200 | 61.73 | 27,54,200 | [●] |
| 2 | Mr. Ananya Goyal | 9,00,000 | 20.17 | 9,00,000 | [●] |
| | Total | 36,54,200 | 81.90 | 36,54,200 | [●] |

c) List of shareholders holding 1% or more of the paid-up capital of our Company as of the date of this Red Herring Prospectus:

| Sr. No. | Name of Shareholder | No. of Equity Shares | % of Pre-Issue Capital |
|---------|---------------------------------------|----------------------|------------------------|
| 1 | Mr. Sawar Mal Goyal | 27,54,200 | 61.73 |
| 2 | Mr. Ananya Goyal | 9,00,000 | 20.17 |
| 3 | M/s. S.M. Goyal & Sons (HUF) | 2,00,000 | 4.48 |
| 4 | M/s. Intellect Endeavours LLP | 60,753 | 1.36 |
| 5 | M/s. Ava Paisa Growth Private Limited | 60,753 | 1.36 |
| 6 | Mr. Akshay Aggarwal | 60,753 | 1.36 |
| | Total | 40,36,459 | 90.46 |

d) List of shareholders holding 1% or more of the paid-up capital of our company as of date ten days prior to the date of this Red Herring Prospectus:

| Sr. No. | Name of Shareholder | No. of Equity Shares | % of shares held |
|---------|---------------------------------------|----------------------|------------------|
| 1 | Mr. Sawar Mal Goyal | 27,54,200 | 61.73 |
| 2 | Mr. Ananya Goyal | 9,00,000 | 20.17 |
| 3 | M/s. S M. Goyal & Sons (HUF) | 2,00,000 | 4.48 |
| 4 | M/s. Intellect Endeavours LLP | 60,753 | 1.36 |
| 5 | M/s. Ava Paisa Growth Private Limited | 60,753 | 1.36 |
| 6 | Mr. Akshay Aggarwal | 60,753 | 1.36 |
| | Total | 40,36,459 | 90.46 |

e) List of shareholders holding 1% or more of the paid-up capital of our company as of date one year prior to the date of this Red Herring Prospectus:

| Sr. No. | Name of Shareholder | No. of Equity Shares | % of shares held |
|---------|-----------------------------|----------------------|------------------|
| 1 | Mr. Sawar Mal Goyal | 27,54,400 | 71.46 |
| 2 | Mr. Ananya Goyal | 7,50,000 | 19.46 |
| 3 | Ms. Rishika Goyal | 1,50,000 | 3.89 |
| 4 | M/s. S M Goyal & Sons (HUF) | 2,00,000 | 5.19 |
| | Total | 38,54,400 | 100.00 |

f) List of shareholders holding 1% or more of the paid-up capital of our company as on date two years prior to the date of this Red Herring Prospectus:

| Sr. No. | Name of Shareholder | No. of Equity Shares | % of shares held |
|---------|-----------------------------|----------------------|------------------|
| 1 | Mr. Sawar Mal Goyal | 27,54,400 | 71.46 |
| 2 | Mr. Ananya Goyal | 7,50,000 | 19.46 |
| 3 | Ms. Rishika Goyal | 1,50,000 | 3.89 |
| 4 | M/s. S M Goyal & Sons (HUF) | 2,00,000 | 5.19 |
| | Total | 38,54,400 | 100.00 |

9. Our Company has not issued any convertible instruments like warrants, debentures, etc. since its Incorporation.

10. There will be no further issue of capital, whether by way of the issue of bonus shares, preferential allotment, Right issue, or in any other manner during the period commencing from the date of this Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue.

11. Our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split/consolidation of the denomination of Equity Shares. However, our Company may further issue equity

shares (including the issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger, or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

12. Our Company has not made any public Issues including any rights Issue in the Public since incorporation.

13. Details of our Promoters Shareholding.

As on the date of this Red Herring Prospectus, our Promoters Mr. Sawar Mal Goyal, Mr. Ananya Goyal and M/s. S. M. Goyal & Sons (HUF) holds 86.38% of the pre-issued, subscribed, and paid-up Equity Share capital of our Company.

The build-up of our Promoters' shareholding in our Company:

| Date of Allotment / Transfer | Number of Equity Shares | Face Value (₹) | Issue / Acquisition / Transfer Price (₹) | Nature of Consideration | Nature of transaction | % of pre-Issue equity share capital | % of post Issue equity share capital |
|---|-------------------------|----------------|--|-------------------------|--|-------------------------------------|--------------------------------------|
| Mr. Sawar Mal Goyal | | | | | | | |
| Upon Incorporation (May 01, 2016) | 5,000 | 10.00 | 10.00 | Cash | Subscriber to MOA | 0.11 | [•] |
| October 13, 2016 | 26,44,500 | 10.00 | 10.00 | Cash | Preferential Allotment | 59.27 | [•] |
| September 11, 2017 | (100) | 10.00 | 10.00 | Cash | Transfer to Sharda Devi Memorial Trust | (0.00) | [•] |
| March 20, 2018 | 5,000 | 10.00 | 10.00 | Cash | Transfer from Mr. Anish Singhal | 0.11 | [•] |
| March 25, 2019 | 1,00,000 | 10.00 | 10.00 | Cash | Transfer from Ms. Ram Kali Devi | 2.24 | [•] |
| October 17, 2023 | (100) | 10.00 | 10.00 | Cash | Transfer to Ms. Shalu Goyal | (0.00) | [•] |
| October 17, 2023 | (100) | 10.00 | 10.00 | Cash | Transfer to Mr. Sanjay Goyal | (0.00) | [•] |
| Total | 27,54,200 | | | | | 61.73 | [•] |
| Mr. Ananya Goyal | | | | | | | |
| October 13, 2016 | 5,00,000 | 10.00 | 10.00 | Cash | Preferential Allotment | 11.21 | [•] |
| March 25, 2019 | 1,00,000 | 10.00 | 10.00 | Cash | Transfer from Mr. Vinod Gupta | 2.24 | [•] |
| March 25, 2019 | 1,50,000 | 10.00 | 10.00 | Cash | Transfer from M/s. Vinod Gupta HUF | 3.36 | [•] |
| July 20, 2024 | 1,50,000 | 10.00 | - | Other than Cash | Gift from Ms. Rishika Goyal | 3.36 | [•] |
| Total | 9,00,000 | | | | | 20.17 | [•] |
| M/s. S.M. Goyal & Sons (HUF) | | | | | | | |
| October 13, 2016 | 2,00,000 | 10.00 | 10.00 | Cash | Preferential Allotment | 4.48 | [•] |
| Total | 2,00,000 | | | | | 4.48 | [•] |

Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations
- All the shares held by our Promoter, were fully paid up on the respective dates of acquisition of such shares

The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:

| Particulars | Pre-Issue | | Post-Issue | |
|---------------------------------|------------------|--------------|------------------|------------|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| Promoters | | | | |
| Mr. Sawar Mal Goyal | 27,54,200 | 61.73 | 27,54,200 | [●] |
| Mr. Ananya Goyal | 9,00,000 | 20.17 | 9,00,000 | [●] |
| M/S. S. M. Goyal and Sons (HUF) | 200,000 | 4.48 | 200,000 | [●] |
| Total (A) | 38,54,200 | 86.38 | 38,54,200 | [●] |
| Promoter Group | | | | |
| Ms. Sanjay Goyal | 100 | 0.00 | 100 | [●] |
| Ms. Shalu Goyal | 100 | 0.00 | 100 | [●] |
| Ms. Soumya Goyal | 100 | 0.00 | 100 | [●] |
| Total (B) | 300 | 0.00 | 300 | [●] |
| Total (A+B) | 38,54,500 | 86.38 | 38,54,500 | [●] |

14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

| Sr. No. | Name of the Promoter | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|-------------------------------|--------------------|------------------------------------|
| 1. | Mr. Sawar Mal Goyal | 27,54,200 | 10.00 |
| 2. | Mr. Ananya Goyal | 9,00,000 | 8.33 |
| 3. | M/S. S. M. Goyal & Sons (HUF) | 200,000 | 10.00 |

15. We have 25 (Twenty-Five) Shareholders as of the date of this Red Herring Prospectus

16. We hereby confirm that:

There has been no acquisition, sale, or transfer of Equity Shares by our Promoters, Promoter Group, Directors, and their immediate relatives in the last 6 months preceding the date of filing of this Red Herring Prospectus.

No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Red Herring Prospectus.

17. Details of Promoters' Contribution and Lock-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-issue capital held by our Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock-in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As of the date of this Red Herring Prospectus, our Promoters hold 38,54,200 Equity Shares constituting [●] % of the post-issued, subscribed, and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters have given written consent to include 12,74,162 Equity Shares held by them and subscribed by them as part of Promoters' Contribution constituting upto 20.01 % of the post-issue Equity Shares of our Company. Further, they have agreed not to sell transfer or pledge, or otherwise dispose of in any manner, the Promoter's contribution, for a period of three years from the date of allotment in the Issue.

| Date of Allotment / transfer and made fully paid up | No. of Equity Shares locked in | Face Value Per Share | Issue / Acquisition / | Nature of transaction | Post-Issue Shareholding % | Lock in Period |
|---|--------------------------------|----------------------|-----------------------|-----------------------|---------------------------|----------------|
|---|--------------------------------|----------------------|-----------------------|-----------------------|---------------------------|----------------|

| | | (₹) | Transfer Price (₹) | | | |
|---|-----------------|-------|--------------------|------------------------|-----|---------|
| Mr. Sawar Mal Goyal | | | | | | |
| May 01, 2016 | 5,000 | 10.00 | 10.00 | Subscribers to MOA | [•] | 3 years |
| October 13, 2016 | 9,05,512 | 10.00 | 10.00 | Preferential Allotment | [•] | 3 years |
| Total | 9,10,512 | | | | | |
| Mr. Ananya Goyal | | | | | | |
| October 13, 2016 | 2,97,531 | 10.00 | 10.00 | Preferential Allotment | [•] | 3 years |
| Total | 2,97,531 | | | | | |
| M/s. S.M. Goyal & Sons (HUF) | | | | | | |
| October 13, 2016 | 66,119 | 10.00 | 10.00 | Preferential Allotment | [•] | 3 years |
| Total | 66,119 | | | | | |

The Equity Shares that are being locked in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- The Equity Shares offered for a minimum 20% of Promoter's Contribution have not been acquired in the three years preceding the date of this Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;
- The minimum Promoter's contribution does not include Equity Shares acquired during the one year preceding the date of this Red Herring Prospectus at a price lower than the Issue Price;
- No equity shares have been issued to our Promoters upon conversion of a partnership firm during the preceding year at a price less than the Issue Price
- The Equity Shares held by the Promoters and offered for minimum Promoter's contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form and
- The Equity Shares offered for the Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoters contribution subject to lock-in.

We further confirm that our Promoter's Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

18. Equity Shares locked in for one year other than Minimum Promoters' Contribution

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting upto 31,87,861 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares that are subject to lock-in shall carry the inscription 'non-transferable' along with the duration of the specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked in by the respective depositories. The details of the lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

19. Inscription or recording of non-transferability

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares that 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. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares

20. Pledge of Locked-in Equity Shares

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

If the equity shares are locked in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Issue and pledge of equity shares 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 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

21. Transferability of Locked-in Equity Shares

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another promoter or any person of the Promoter Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoter's Group) holding the equity shares which are locked in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

22. Our Company, our Directors, and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for the purchase of our Equity Shares issued by our Company.
23. As of date of this Red Herring Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. 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.
24. As of the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options, or rights to convert debentures, loans, or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
25. As of the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
26. Investors may note that in case of over-subscription, allotment will be on a proportionate basis as detailed under **"Basis of Allotment"** in the chapter titled **"Issue Procedure"** beginning on page 250 of this Red Herring Prospectus. In case of over-subscription in all categories, the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
27. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to the minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

28. 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.
29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares unless otherwise permitted by law.
30. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
31. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. There are no Equity Shares against which depository receipts have been issued.
34. As per RBI regulations, OCBs are not allowed to participate in this issue
35. This Issue is being made through Book Built Method.
36. 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. No payment, direct or indirect in the nature of discount, commission, allowances, or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
37. No person connected with the Issue 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.
38. None of our Promoters and Promoter Group will participate in the Issue.
39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

SECTION VII: PARTICULARS OF THE ISSUE

OBJECT OF THE ISSUE

The Issue includes a fresh Issue of upto 19,05,600* Equity Shares of our Company at an Issue Price of [●] per Equity Share.

**Subject to Finalization of Basis of Allotment*

Fresh Issue

The details of the proceeds of the Fresh Issue are summarized below:

(₹ in Lakhs)

| Particulars | Amount |
|-------------------------------------|--------|
| Gross Proceeds from the Fresh Issue | [●] |
| Less: Issue related expenses | [●] |
| Net Proceeds of the Fresh Issue | [●] |

Requirement of Funds

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

- Setting up of Additional Storage Facility
- Repayment/Pre-payment of Certain Debt Facilities
- Working Capital Requirements
- General Corporate Purposes

In addition to the objects mentioned above, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancing the visibility of our brand and our Company among our existing and potential customers. We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities.

We are dedicated manufacturers and suppliers of bedding essentials, specializing in blankets, bed sheets, comforters, and more. Our integrated manufacturing process encompasses knitting, dyeing, processing, printing, and packaging, all under one roof. This ensures efficient bulk production without compromising on the quality that guarantees comfort and luxury throughout the night, allowing you to wake up revitalized and ready to embrace each day with vigour. Our diverse product portfolio includes a range of crafted items such as blankets, baby blankets, comforters, bedsheets and curtains.

We manufacture products based on the order specifications received from our customers to meet their requirements. We believe that maintaining a range of products in our business provides us with an opportunity to cater to the diverse needs of different customer segments. Further, we believe that we have experience resources, and a network that can be customized and leveraged to cater to a wider range of bulk packaging containers as per the requirements of the customers.

The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue. The existing activities of our Company are within the object clause of our Memorandum.

Utilization of Net Fresh Issue Proceeds

The Net Fresh Issue Proceeds are proposed to be used in the manner set out in the following table:

(₹ in lakhs)

| Sr. No. | Particulars | Total Estimated Expenditure | Amount to be financed from Internal Accruals/ Borrowings | Amount to be financed and deployed from Net IPO Proceeds by the Financial Year ended March 31, 2025 |
|---------|--|-----------------------------|--|---|
| 1 | Setting up of Additional Storage Facility | 429.96 | - | 429.96 |
| 2 | Repayment/Pre-payment of Certain Debt Facilities | 354.52 | 54.52 | 300.00 |
| 3 | Working Capital Requirement | 3,718.29 | 2,518.29 | 1,200.00 |

| | | | | |
|---|----------------------------|---|---|---|
| 4 | General Corporate Purposes | ● | - | ● |
| | Total | ● | | ● |

Means of Finance:

The above-mentioned fund requirement will be met from the proceeds of the Issue. We intend to fund the shortfall, if any, from internal accruals.

Since the fund requirements set out for the aforesaid Objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230(1)(e) 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 Net Proceeds and existing identifiable internal accruals.

The fund requirements are based on internal management estimates and have not been verified by the lead managers or appraised by any bank or financial institution or any other independent agency. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

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.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the chapter titled "Risk Factors" beginning on page 34 of this Red Herring Prospectus.

1) Setting up of Additional Storage Facility

We are seeking to raise capital for the construction of a new state-of-the-art warehouse facility. This investment is crucial to addressing our current operational challenges and positioning our company for sustainable growth.

Our existing warehouse capacity is insufficient to meet the demands of our production cycles. During peak seasons, we struggle to manage the volume of stock efficiently, and during off-seasons, a significant portion of our inventory remains idle. This imbalance leads to operational inefficiencies and increased costs.

The warehouses in West Bengal and Gurugram are dedicated exclusively to supporting commercial operations, such as storing and trading goods for e-commerce platforms. These facilities are leased by Instakart Services Private Limited, a unit of Flipkart, to aid in fulfilling orders placed through Flipkart.com. *This is outlined on page 148 of the Red Herring Prospectus.*

Currently, the company is ordering raw material as per the production requirement only, thereby losing on competitive pricing. The entire raw-material is being delivered at the factory where production is done. This leads to disruption of the production process and wastage of raw materials due to lack of proper handling.

The new storage facility, funded by the IPO proceeds, will store competitively priced raw materials, which will be utilized for manufacturing as needed. Its strategically chosen location will allow for efficient inventory management and minimize handling costs. This warehouse will accommodate both raw materials and finished or semi-finished goods, ready for dispatch, ensuring seamless logistics for our products.

The Additional storage facility shall be constructed at our current manufacturing facility situated at "Killa No. 17//17/2, 18, 19/1, 22/2, 23, 24/1, 36//2/2, 3, 4/1/Village- Jawahara, Pardhana Road, Tehsil- Khanpur, District- Sonipat". This land owned by the company via sale deed dated July 08, 2016. The said land is of an area of around 3 Acres.

The funds raised will be allocated to the development of a modern warehouse facility designed to enhance our storage capacity and optimize inventory management. This new warehouse will be equipped with advanced logistics and storage solutions, including:

- **Increased Storage Capacity:** Accommodating higher volumes of stock, reducing idle inventory, and minimizing overflow issues.
- **Efficient Inventory Management:** Implementing cutting-edge technologies for real-time tracking and better stock rotation.
- **Enhanced Operational Efficiency:** Streamlining storage processes to reduce handling times and operational costs.

The details the cost estimates of which are mentioned below:

| Sr. No. | Vendor Name | Model Description | Quantity | Amount (₹ in Lakhs) | Quotation details |
|---------------------------|----------------------------------|---|----------------|---------------------|---|
| 1. | Mechvil Infrastructure Pvt. Ltd. | Design, Supply and Installation of Pre-Engineered Buildings With Civil Work | 43,040 Sq.Ft. | 292.67 | Quotation received from Mechvil Infrastructure Pvt. Ltd for ₹429.96 Lakhs (incl. of GST) dated 12.06.2025 having validity of 30 Days . |
| 2. | Mechvil Infrastructure Pvt. Ltd. | Supply of Louvers | 1,250 Sq. Mtr. | 43.75 | Quotation received from Mechvil Infrastructure Pvt. Ltd for ₹429.96 Lakhs (incl. of GST) dated 12.06.2025 having validity of 30 Days . |
| 3. | Mechvil Infrastructure Pvt. Ltd. | Supply of Glasswool Insulation Make- Twiga | 43,040 Sq.Ft. | 23.67 | Quotation received from Mechvil Infrastructure Pvt. Ltd for ₹429.96 Lakhs (incl. of GST) dated 12.06.2025 having validity of 30 Days . |
| 4. | Mechvil Infrastructure Pvt. Ltd. | Supply of Turbo Vent | 95 Nos. | 4.28 | Quotation received from Mechvil Infrastructure Pvt. Ltd for ₹429.96 Lakhs (incl. of GST) dated 12.06.2025 having validity of 30 Days . |
| Total Basic Amount | | | | 364.37 | |
| GST @ 18% | | | | 65.59 | |
| Total | | | | 429.96 | |

Notes:

1. We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary as per the best possible offer available with us.
2. All quotations received from the vendors mentioned above are valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually render the services or at the same costs.
3. The construction service and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of supply or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other service, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of construction service, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
4. We are not acquiring any second-hand machinery.
5. The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of services proposed to be acquired by us at the actual time of provision of service, resulting in increase in the estimated cost. Further, cost will be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty etc. Such cost escalation would be met out of our internal accruals.

Proposed Schedule of Implementation

The proposed schedule of implementation for installation of Manufacturing facilities is as follows:

| Particulars | Estimated Month of |
|--------------------------------------|--------------------|
| | Completion* |
| Commencement of construction service | July 2025 |
| Completion of Project | January 2026 |
| Put to use | January 2026 |

*Assuming we receive the IPO Proceeds in the month of July 2025.

2) Repayment/Pre-payment of Certain Debt facilities

Our Company has entered into various financing arrangements with bank. The loan facilities entered into by our Company include borrowings in the form of term loans and fund-based facilities. *For further details, including indicative terms and conditions of such loan facilities, see “Statement of Financial Indebtedness” beginning on page 216 of this Red Herring Prospectus.* Our Company proposes to utilise an aggregate amount of ₹ 300.00 Lakhs from the Net Proceeds towards full or partial repayment or prepayment of certain borrowing availed by our Company from bank.

The selection and extent of loans proposed to be repaid from our Company’s borrowings mentioned below will be based on various commercial considerations including, among others, the costs, expenses and charges relating to the facility including interest rate of the relevant loan, the amount of the loan outstanding, the remaining tenor of the loan, presence of onerous terms and conditions under the facility, levy of any prepayment penalties and the quantum thereof, provisions of any law, rules, regulations governing such borrowings, terms of prepayment to lenders, if any and mix of credit facilities provided by lenders.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these loans may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Accordingly, our Company may utilise the Net Proceeds for part prepayment of any such refinanced loans or repayment of any additional loan facilities obtained by it. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of loans (including refinanced or additional loans availed, if any), in part or full, would not exceed ₹ 300.00 Lakh.

The prepayment or repayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following table provides details of loan availed by our Company as on October 31, 2023 which is proposed to be prepaid or repaid, in full or in part, from the Net Proceeds to the extent of an aggregate amount of ₹ 300.00 Lakhs:

| Name of Lender | Date of Sanction | Purpose | Fixed Rate of Interest | Outstanding as on January 31, 2025 (₹ in Lakhs) |
|---------------------------------|------------------|---|------------------------|---|
| Bank of Baroda (21000600001682) | 31.10.2023 | Takeover of the existing 5 Term loan facilities having account no-85451879, 86147689, 84833515, 86147684 & 85043873 with HDFC Bank at outstanding levels which was taken initially for Working Capital. | 11.40% | 54.07 |
| Bank of Baroda (21000600001683) | 31.10.2023 | | 11.40% | 182.59 |
| Bank of Baroda (21000600001686) | 31.10.2023 | | 11.40% | 117.86 |
| Bank of Baroda (21000600001687) | 31.10.2023 | | 11.40% | - |
| Total | | | | 354.52 |

As certified by Manish Pandey & Associates, Chartered Accountants, in accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, pursuant to their certificate dated June 23, 2025 the above-mentioned loans have been deployed towards the purposes mentioned in the respective loan agreements. In due course of business, due to various operational benefits, our Company may explore possibilities of other banks participating in existing loans either in full or in part, including the loans mentioned above. Some of our financing agreements provide for the levy of prepayment penalties. In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing agreements, such prepayment penalties shall be paid by our Company out of its internal accruals.

3) To Meet Working Capital Requirements

We finance our working capital requirement from our internal accruals. Considering the existing and future growth and the orders and service agreements in hand, the working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach ₹ 3,718.29 Lakhs for FY 2025-26. We intend to meet our working capital requirements to the extent of ₹ 1200.00 Lakhs from the Net Proceeds of this Issue and the balance will be met from internal accruals at an appropriate time as per the requirement.

Basis of estimation of working capital

The details of our Company's composition of working capital as at March 31, 2022, March 31, 2023, March 31, 2024, ten months period ended January 31, 2025 and March 31, 2025 and March 31, 2026 based on the Restated Financial Statements and working capital estimates. Further the source of funding of the same are as set out in the table below:

(₹ in lakhs)

| Particulars | 31-Mar-22 | 31-Mar-23 | 31-Mar-24 | 31-Jan-25 | 31-Mar-25 | 31-Mar-26 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Restated | Restated | Restated | Restated | Unaudited | Estimated |
| Current Assets | | | | | | |
| Trade Receivables | 815.09 | 995.60 | 908.77 | 1,934.82 | 2,643.29 | 2,295.97 |
| Inventories | 938.57 | 1,299.74 | 1,668.78 | 1,503.38 | 1,657.68 | 2,075.00 |
| Short term Loans & Advances | 123.18 | 188.54 | 1,116.51 | 2,160.70 | 1,952.36 | 2,645.35 |
| Other current assets | 1.12 | 0.56 | - | - | - | - |
| Total (I) | 1,877.96 | 2,484.44 | 3,694.06 | 5,598.90 | 6,253.34 | 7,016.32 |
| Current Liabilities | | | | | | |
| Short-Term Borrowings | 2,407.13 | 2,378.90 | 1,688.87 | 1,414.52 | 1,410.03 | 1,183.00 |
| Trade Payables | 112.20 | 366.48 | 639.36 | 1,763.57 | 2,239.06 | 1,343.44 |
| Other Current Liabilities | 114.15 | 293.47 | 88.30 | 193.01 | 161.21 | 215.00 |
| Short-Term Provisions | 6.30 | 39.20 | 225.89 | 350.99 | 372.44 | 556.60 |
| Total (II) | 2,639.78 | 3,078.05 | 2,642.42 | 3,722.09 | 4,182.75 | 3,298.03 |
| Net Working Capital (I)-(II) | (761.82) | (593.61) | 1,051.64 | 1,876.81 | 2,070.59 | 3,718.29 |
| | | | | | | |
| Funding Pattern: | | | | | | |
| Cash and Cash Equivalents | 40.48 | 20.22 | 4.55 | 4.45 | 4.12 | 50.81 |
| Internal Accruals | (802.30) | (613.83) | 1,047.09 | 1,872.36 | 2,066.47 | 2,467.48 |
| Part of the IPO Proceeds | | | | | | 1,200.00 |

Assumptions for working capital requirement

Assumptions for Holding Levels

(In days)

| Particulars | Basis of Calculation | Holding Level as on March 31, 2022 | Holding Level as on March 31, 2023 | Holding Level as on March 31, 2024 | Holding Level as on January 31, 2025 | Holding Level as on March 31, 2025 | Holding Level as on March 31, 2026 |
|-----------------------------|-------------------------|------------------------------------|------------------------------------|------------------------------------|--------------------------------------|------------------------------------|------------------------------------|
| Current Assets | | | | | | | |
| Inventories | Cost of Goods Sold | 49 | 66 | 95 | 55 | 58 | 57 |
| Trade Receivables | Revenue from Operations | 57 | 49 | 50 | 63 | 52 | 60 |
| Short Term Loans & Advances | | 19 | 8 | 34 | 72 | 45 | 56 |
| Other Current Assets | | 0 | 0 | 0 | - | 1 | |
| Current Liabilities | | | | | | | |
| Short-term Borrowings | Cost of Goods Sold | 72 | 71 | 88 | 50 | 50 | 39 |
| Trade Payables | | 5 | 14 | 32 | 42 | 50 | 54 |
| Other Current Liabilities | | 6 | 12 | 13 | 5 | 5 | 6 |
| Short-term Provisions | | 0 | 1 | 8 | 10 | 10 | 14 |

Justification for Holding Period Levels

| Particulars | Detail |
|-----------------------------|---|
| Inventories | Our holding period for inventories increased from 49 days in FY 2022 to 66 days in FY 2023 and to 95 days in FY 2024, indicating a significant slowdown in inventory turnover. This rise is attributable to overstocking as the company starts holding inventories for more days to get seasonal benefit and changes in inventory management practices. It further reduced to 55 days in ten months period ended January 31, 2025 and it is expected to be maintained at 58 days in FY 2025 and 57 days in FY 2026 due to improvements in inventory management and better sales strategies, though the level remains relatively high compared to previous years. |
| Trade Receivables | We improved our trade receivables holding period from 57 days in FY 2022 to 49 days in FY 2023, showcasing our efforts to enhance collection efficiency. However, there was a slight increase to 50 days in FY 2024 which further increased to 63 days in ten months period ended January 31, 2025, which is attributed to extended credit terms or slower customer payments. Looking forward, we expect holding period to be 52 days in FY 2025 and 60 days in FY 2026 as we continue to refine our receivables management and collection practices. |
| Short Term Loans & Advances | We reduced our holding period for short-term loans and advances from 19 days in FY 2022 to 8 days in FY 2023, indicating faster turnover or recovery of these assets. However, we experienced a significant increase to 34 days in FY 2024 which increased to 72 days in ten months period ended January 31, 2025 and expect it to reduce at 45 days in FY 2025 and 56 days in FY 2026 as they majorly include advance to suppliers and balance with Government Authorities, on year-on-year basis we increase our advance to suppliers to get the benefit of seasonal price. |
| Other Current Assets | The holding period for our other current assets remained at 0 days from FY 2022 to ten months period ended January 31, 2025, showing stability in this area. We anticipate to maintain the same level in FY 2025 and 2026. |
| Short-term Borrowings | Our holding period for short-term borrowings slightly decreased from 72 days in FY 2022 to 71 days in FY 2023. However, it rose to 88 days in FY 2024, due to increase in current maturities and Cash credit limit utilisation. In ten months period ended January 31, 2025 the holding days reduced to 50 days and the same level is maintained in FY 2026. The loans will be repaid using IPO Proceeds which will reduce the current maturities and hence the holding days is expected to reduce to 39 days in FY 2026. |
| Trade Payables | We saw an increase in our trade payables holding period from 5 days in FY 2022 to 14 days in FY 2023 to 32 days in FY 2024 and 42 days in ten months period ended January 31, 2025 which is due to company's better negotiation strategy during this period to get addition credit period with better prices. We expect this period to decrease to 24 days in FY 2025, suggesting that we are managing our cash flow better and improving our terms with suppliers. |
| Other Current Liabilities | The holding period for our other current liabilities increased from 6 days in FY 2022 to 12 days in FY 2023 and remained stable at 13 days in FY 2024 which is due to increase in advance from customers. We anticipate it to 50 days in FY 2025 and 54 days in FY 2026. |
| Short-term Provisions | Our short-term provisions, which cover income tax, gratuity, and other expenses, have increased from 1 day in FY 2023 to 8 days in FY 2024 and further to 10 days in ten months period ended January 31, 2025. The same is maintained at 10 days in FY 2025 and company expects it to rise slightly to 14 days in FY 2026. This rise reflects our growing need to account for larger anticipated liabilities, including higher income tax and increased gratuity and other provisions for expenses. The adjustment indicates a more accurate and comprehensive approach to managing our short-term financial obligations, ensuring we are well-prepared for these expenses. |

Pursuant to the certificate dated June 23, 2024, M/s. Manish Pandey & Associates, Chartered Accountants, have verified the working capital requirements for the ten months period ended January 31, 2025 and financial year ended on March 31, 2024, 2023 and 2022 from the Restated Financial Information and working capital estimates for the FY 2025 and 2026 as approved by the Board pursuant to its resolution dated June 23, 2025.

Reason for increase in working capital in past 3 financial years and projected period :

FY 2022 to 2023

The working capital position rose from ₹ (7.21) Crores in FY 2022 to ₹ (5.73) Crores in FY 2023. There was a net increase of ₹ 1.48 Crores. The increase was in line with past trends and there was no sudden spurt in any particular item. The inventories rose from ₹ 9.38 Crores to ₹ 12.99 Crores from FY 2022 to FY 2023 due to better inventory management by the company which enabled the company to increase its turnover by approximately 35%.

FY 2023 to 2024

The working capital stood at ₹ (5.73) Crores in FY 2023 and it rose to ₹ 10.56 Crores in FY 2024. The increase of approximately ₹ 16.29 crores was mainly due to change in two items, increase in short-term loans and advances and decrease in short-term borrowings:

1. Increase in Short-Term Loans & Advances: -

During the FY 2023-24, the company raised a capital of ₹ 5 Crores which was partly utilized for making advanced payment towards followings things:

(₹ In Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | Difference | Reason |
|--------------------------------------|----------------|----------------|------------|---|
| Loans and advances to employees | 8.19 | 6.45 | 1.74 | In normal course of business |
| Advances to suppliers | 894.64 | 44.18 | 850.46 | As mentioned below** |
| Balances with Government Authorities | 91.76 | 131.27 | -39.51 | In normal course of business |
| Advance Income Tax | 110.97 | - | 110.97 | Payment of Advance Tax on the profits made during the year in order to comply with the Income Tax Regulations within due date. There was no advance tax paid in earlier years as the profits were less. |
| Prepaid expenses | 10.95 | 6.65 | 4.31 | In normal course of business |
| Total | 1,116.51 | 188.54 | 927.96 | |

**There was a strategic move made by the management by making advance payment to suppliers for raw materials. This enabled the company to:

- Significantly increase the turnover during the period ended October 31, 2024. The company crossed a turnover of over ₹ 81 Crores during the period ended 31st October 2024 which is more than the turnover of entire financial year 2023-24. The corresponding turnover of FY 2022-23 for the same period was ₹ 32 Crores approximately.
- Make purchases at a competitively lower price due to off season of the goods thereby increasing margins

2. Decrease in Short-Term Borrowings: -

The balance amount of Issue Proceeds was utilized towards payment of unsecured debts, thereby reducing the short-term borrowings and increasing the working capital position. There was a net repayment of ₹ 6.90 Crores during the FY 2023-24.

FY 2024 to 2025

Working Capital Requirement for March 2025 is estimated to be around ₹ 35.50 Crores as against ₹ 10.56 Crores for March 2024 showing a net increase of ₹ 24.94 crores. Following the success in multiplying turnover by double from period ended 31st October 2023 to 2024, the management plans and proposes to follow similar strategy in the current year as well by making advance payments to suppliers for raw materials during off season to gain competitive edge over prices thereby assuming an increased short-term loans & advances.

The major challenge faced in the current year in purchasing bulk raw-material and manufacturing throughout the year is the limited storage facility available with the company. In order to overcome that, the company has proposed to construct an additional storage facility from the IPO proceeds. This storage facility will enable the company to buy raw materials in bulk and use it for manufacture as per the requirement. Also, currently the company is not able to manufacture throughout the year due to shortage of space to store the finished/semi-finished goods. With the construction of this storage facility, both raw materials and finished/ semi-finished goods can be stored effectively thereby smoothening the supply-chain management for their products. Therefore, inventory is projected to be on a higher side for FY 2025.

The trade receivable is expected to be in line with the expected increase in revenue during the year. The trade payable is expected to rise from ₹ 9.09 Crores in FY 2024 to ₹ 14.27 Crores in FY 2025 which shows stability in credit period of around 45 days given to the debtors.

The trade payables are expected to decrease from ₹ 6.39 Crores in FY 2024 to ₹ 4.00 Crores in FY 2025 to make optimum utilization of resources and take advantage of trade discounts given by suppliers on early payments. We assume to pay off creditors in 25-30 days approximately.

The purchase orders available with the company justifies the projections of turnover and eventually the inventories and trade-receivables associated with it.

The working capital requirements have increased over the years in line with the expansion of business and increase in turnover. Item wise increase in elements of current assets and current liabilities are mentioned below



| Item | Reason for change |
|-----------------------------|--|
| Trade Receivables | We successfully reduced our trade receivables holding period from 57 days in FY 2022 to 49 days in FY 2023, reflecting notable improvements in our collection efficiency. This reduction underscores our focus on tightening credit control, streamlining collections, and optimizing cash flow. The slight uptick to 50 days in FY 2024 is primarily due to extended credit terms or delayed payments from a few customers, which temporarily impacted the overall period. However, this modest increase is a short-term adjustment, and we are confident in our ability to enhance receivables management going forward. With ongoing efforts to strengthen credit policies and adopt more proactive collection strategies, we project a further reduction to 43 days in FY 2025, reinforcing our commitment to maintaining a healthier cash cycle and stronger financial discipline. |
| Inventories | <p>The increase in our holding period for inventories, from 49 days in FY 2022 to 66 days in FY 2023 and further to 95 days in FY 2024, reflects a marked deceleration in inventory turnover. This upward trend can be attributed to strategic overstocking, as the company sought to take advantage of seasonal demand fluctuations, coupled with shifts in inventory management practices. The longer holding period allowed us to meet seasonal surges in demand more effectively, but it also led to higher inventory levels.</p> <p>The slight reduction to 93 days in FY 2025 indicates early signs of improvement in managing inventory, possibly driven by refined inventory management techniques or more effective sales strategies. However, despite this modest progress, the holding period remains considerably elevated compared to earlier years, underscoring the need for further adjustments to optimize inventory efficiency and reduce carrying costs..</p> |
| Cash & Cash Equivalent | Our holding period for cash and cash equivalents has been strategically reduced from 3 days in FY 2022 to 0 days in FY 2025. This reduction reflects our improved cash flow management and operational efficiency. By FY 2025, we aim to utilize all available cash effectively, relying on advanced liquidity management to meet operational needs dynamically. This approach ensures optimal cash utilization and supports our growth strategy. |
| Short Term Loans & Advances | our holding period for short-term loans and advances reduced from 19 days in FY 2022 to 8 days in FY 2023, indicating a marked improvement in the turnover and recovery of these assets. This faster turnover reflects our focus on streamlining operations and ensuring timely recoveries. However, in FY 2024, the holding period increased significantly to 34 days, and we expect it to rise further to 44 days in FY 2025. This increase is largely driven by advances to suppliers and balances with Government Authorities. We have intentionally increased advances to suppliers on a year-on-year basis to capitalize on favorable seasonal pricing, ensuring cost savings in procurement. While this results in a longer holding period, it is a strategic decision to secure long-term benefits in terms of reduced input costs and improved supplier relationships. |
| Other Current Assets | The holding period for our other current assets remained stable at 0 days from FY 2022 to FY 2024, reflecting consistent management and a lack of significant fluctuations in this area. Looking ahead, we anticipate a slight increase to 1 day in FY 2025. This minor change suggests a small addition or adjustment in the composition of these assets, such as Accrued interest. . |
| Short Term Borrowings | Our holding period for short-term borrowings saw a slight improvement, decreasing from 72 days in FY 2022 to 71 days in FY 2023, reflecting marginal progress in managing our short-term debt. However, this trend reversed in FY 2024, with the holding period increasing to 88 days. This rise was primarily driven by higher current maturities and increased utilization of our cash credit limits, which led to elevated short-term borrowing levels. Looking ahead, we are projecting a significant decrease to 60 days in FY 2025. This forecast reflects our concerted efforts to optimize debt management, reduce reliance on short-term borrowing, and improve cash flow discipline. By focusing on better credit control, enhanced financial planning, and more efficient use of credit facilities, we aim to bring our borrowing levels down and improve our overall financial health. |
| Trade Payables | We experienced an increase in our trade payables holding period from 5 days in FY 2022 to 14 days in FY 2023, and further to 32 days in FY 2024. This increase reflects the success of our improved negotiation strategies, allowing us to secure extended credit terms. However, we anticipate a decrease to 24 days in FY 2025, signaling our intention to balance cash flow management with maintaining strong relationships with our suppliers by giving advance for the purchase of Raw Material which is part of our strategic buying planning. |
| Other Current Liabilities | The holding period for our other current liabilities increased from 6 days in FY 2022 to 12 days in FY 2023, and remained steady at 12 days in FY 2024. This rise was primarily |

| | |
|-----------------------|--|
| | driven by an increase in customer advances and expenses payable, which temporarily extended our liability settlement cycle, Looking ahead, we anticipate a significant decrease to 4 days in FY 2025, reflecting our commitment to quicker settlement of liabilities and a reduction in outstanding obligations. |
| Short Term Provisions | Our short-term provisions, which cover income tax, gratuity, and other expenses, have increased from 1 day in FY 2022-23 to 9 days in FY 2023-24, and further to 14 days in FY 2024-25. This rise reflects our growing need to account for larger anticipated liabilities, including higher income tax and increased gratuity and other provisions for expenses. The adjustment indicates a more accurate and comprehensive approach to managing our short-term financial obligations, ensuring we are well-prepared for these expenses. |

4) General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance Net Fresh Issue Proceeds to the tune of ₹ [●] Lakhs is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI (ICDR) Regulations, 2018. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) Strategic initiatives
- (ii) Brand building and strengthening of marketing activities; and
- (iii) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

Proposed Year wise Deployment of Funds / Schedule of Implementation

The entire Net Fresh Issue Proceeds are proposed to be deployed in the Financial Year 2025 – 26.

Public Issue Expense

The estimated Issue related expenses include Issue Management Fee, Marketing Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar’s Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹ [●] Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

| Particulars | Expenses | % of Total Offer Expenses | % of Total Offer size |
|---|--------------|---------------------------|-----------------------|
| | (₹ In Lakhs) | | |
| Payment to the Lead Manager | [●] | [●] | [●] |
| Market Making Fees | [●] | [●] | [●] |
| Fees payable to Registrar to Issue | [●] | [●] | [●] |
| Fees to Legal Advisor | [●] | [●] | [●] |
| Advertisement Expenses | [●] | [●] | [●] |
| Fees payable to Regulators including Stock Exchange | [●] | [●] | [●] |
| Printing & Distribution Expenses | [●] | [●] | [●] |
| Marketing & Selling Expenses | [●] | [●] | [●] |
| Payment to Sponsor Bank | [●] | [●] | [●] |
| Statutory & Other Reports | [●] | [●] | [●] |
| Total | [●] | [●] | [●] |

SCSBs will be entitled to a processing fee of ₹ 0.05 per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non-Institutional Applicants, would be 0.01% on the Allotment Amount# or ₹ 1.00 whichever is less on the Applications wherein shares are allotted.

The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

#Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

Appraisal by Appraising Fund

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and /or unsecured Loans.

Bridge Financing Facilities

As on the date of this Red Herring Prospectus, we have not raised any bridge loans, which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/ cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

Monitoring Utilization of Funds

As the size of the Fresh Issue does not exceed 10,000.00 Lakhs , in terms of Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half-yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Red Herring Prospectus.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed Company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters 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.

Other Confirmations

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's Key Managerial Personnel in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or Key Managerial Personnel except in the normal course of business and in compliance with the applicable laws.

BASIS OF ISSUE PRICE

Investors should read the following summary with the chapter titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the chapter titled “Financial Statements as Restated” beginning on pages 34, 123 and 195 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company in consultation with the Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹10.00 each and the Issue Price is ₹ [●] which is [●] times of the face value.

Qualitative Factors

Some of the qualitative factors, which form the basis for the Issue Price, are:

1. Purchase of higher quality thread count fabric at a lower price
2. Experienced promoters and a dedicated employee base
3. Infrastructure and Integrated capabilities to deliver quality products
4. Strong Logistics Chain
5. We have good storage for Inventory Management

For further details, see “Risk Factors” and “Our Business” beginning on pages 34 and 123, respectively.

Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Information. *For further information, see “Financial Information” beginning on page 195 of this Red Herring Prospectus.*

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

Basic Earnings and Diluted Earnings per Equity Share (EPS) as per Accounting Standard 20

As per Restated Financial Statements

| Period | Basic and Diluted EPS (in ₹) | Weight |
|--|------------------------------|--------|
| March 31, 2022 | (1.08) | 1 |
| March 31, 2023 | 2.55 | 2 |
| March 31, 2024 | 13.74 | 3 |
| Weighted Average | 7.54 | |
| Ten months period ended January 31, 2025 | 20.55 | |

Notes:

- 1) Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- 2) The ratios have been computed as below:
 - i) Basic EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year/period.
 - ii) Diluted EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.
- 3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.
- 4) Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}.

For further details, see “Other Financial Information” under chapter “Summary of Financial Statements” on page 61 of this Red Herring Prospectus.

Price/Earning (“P/E”) Ratio in relation to the Issue Price of ₹ [●] per Equity Share:

| Particulars | P/E at Floor Price (no. of times) | P/E at Cap Price (no. of times) |
|--|-----------------------------------|---------------------------------|
| Based on Restated Financial Statements | | |

| | | |
|--|-------|-------|
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24 | 11.13 | 11.71 |
| P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated | 20.29 | 21.35 |

Note: The P/E ratio has been computed by dividing Issue Price with EPS

Return on Net Worth as per Restated Financial Statements

| Period | RONW (%) | Weight |
|--|--------------|--------|
| March 31, 2022 | (11.63) | 1 |
| March 31, 2023 | 21.33 | 2 |
| March 31, 2024 | 36.56 | 3 |
| Weighted Average | 23.45 | |
| Ten months period ended January 31, 2025 | 37.72 | |

Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.

As per Restated Financial Statement

Minimum return on Post Offer Net Worth to maintain the Pre-Offer EPS (Post Bonus) for the period ended on January 31st 2025 is [●] %

Net Asset Value (NAV) per Equity Share

As per Restated Financial Statements

| Sl. No. | Particulars | On the basis of Restated Financial Statements (₹) |
|---------|--|---|
| a) | As on March 31, 2022 | 9.32 |
| b) | As on March 31, 2023 | 11.95 |
| c) | As on March 31, 2024 | 37.60 |
| d) | Net Asset Value per Equity Share after the Issue at Issue Price | [●] |
| e) | Issue Price | [●] |

Notes:

- NAV has been calculated as Net worth divided by number of Equity Shares at the end of the year.
- Net asset value per equity share = net worth attributable to the owners of the parent as at the end of the year/period divided by adjusted number of equity shares outstanding as at the end of year/period.
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- Net Worth and the number of equity shares as at the end of the year/period have been adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options), wherever applicable, were exercised in the respective financial year/period. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and therefore the net worth and the number of equity shares outstanding as at the end of the year/period has not been derived from Restated Financial Information.

For further details, see “Other Financial Information” on page 61 of this Red Herring Prospectus.

Comparison with Listed Industry Peer:

| Particulars | CMP* | EPS (₹) | PE Ratio | RONW (%) | NAV (₹) | Face Value (₹) | Revenue from Operations (₹ in Lakh) |
|------------------------|--------|---------|----------|----------|---------|----------------|-------------------------------------|
| Silky Overseas limited | [●] | 13.74 | [●] | 36.56 | 37.60 | 10.00 | 6,970.49 |
| Peer Group** | | | | | | | |
| Welspun Living Limited | 128.80 | 6.18 | 20.84 | 14.27% | 4.78 | 1.00 | 209.00 |
| Trident Limited | 29.58 | 0.78 | 37.92 | 10.90% | NA | 1.00 | 6,73,042.00 |

* CMP for our Company is considered as Issue Price

** Source: www.bseindia.com and www.nseindia.com.

Notes:

- The figures of Silky overseas Limited are based on financial statements as restated as on March 31, 2024.
- Considering the nature and size of business of the Company, the peers are not strictly comparable. However, the same have been included for broad comparison.

3. Current Market Price (CMP) is the closing price of peer group scripts as on June 20, 2025.
4. The figures for the peer group are based on the standalone audited financials for the year ended March 31, 2024.

The face value of our share is ₹10.00 per share and the Issue Price is of ₹[●] per share are [●] times of the face value.

Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 23, 2025, and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three-year period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by Manish Pandey & Associates, Chartered Accountants, by their certificate dated June 23, 2025.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 123 and 196 respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the 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.

Key Performance Indicators of Our Company

(₹ In Lakhs)

| Key Financial Performance | Ten months period ended January 31, 2025 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|--|--|------------|------------|------------|
| Revenue from operations ⁽¹⁾ | 10,501.15 | 6,970.49 | 6,830.76 | 5,012.10 |
| EBITDA ⁽²⁾ | 1,508.34 | 1,101.46 | 535.09 | 296.59 |
| EBITDA Margin ⁽³⁾ % | 14.36 | 15.80 | 7.83 | 5.92 |
| PAT | 917.07 | 553.48 | 98.22 | (41.77) |
| PAT Margin ⁽⁴⁾ % | 8.73 | 7.94 | 1.44 | (0.83) |
| Net worth ⁽⁵⁾ | 2,431.08 | 1,514.02 | 460.54 | 359.07 |
| RoE % ⁽⁶⁾ | 37.72 | 36.56 | 21.33 | (11.63) |
| RoCE% ⁽⁷⁾ | 45.12 | 39.54 | 30.95 | 10.09 |

Notes:

⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Finance Costs - Other Income

⁽³⁾ ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

⁽⁵⁾ Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders’ equity plus long-term borrowings.

Explanations for KPI Metrics

| KPI | Explanation |
|------------------------|---|
| Revenue from Operation | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business in key verticals |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin (%) | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business |
| PAT | 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. |
| Net Worth | Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity. |
| RoE% | RoE provides how efficiently our Company generates profits from Shareholders' Funds |
| RoCE% | ROCE provides how efficiently our Company generates earnings from the capital employed in the business. |

Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

(₹ in Lakhs)

| Key Financial Performance | Silky Overseas Limited | | | Welspun Living Limited* | | | Trident Limited* | | |
|--|------------------------|------------|------------|-------------------------|------------|------------|------------------|------------|------------|
| | FY 2023-24 | FY 2022-23 | FY 2021-22 | FY 2023-24 | FY 2022-23 | FY 2021-22 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
| Revenue from Operations ⁽¹⁾ | 6,970.49 | 6,830.76 | 5,012.10 | 8,08,400 | 5,65,400 | 6,70,300 | 6,73,042 | 6,26,700 | 6,91,900 |
| EBITDA ⁽²⁾ | 1,101.46 | 535.09 | 296.59 | 1,16,350 | 53,732 | 97,609 | 1,03,020 | 94,115 | 1,50,961 |
| EBITDA Margin ⁽³⁾ % | 15.80 | 7.83 | 5.92 | 14.39 | 9.50 | 14.56 | 15.31 | 15.02 | 21.82 |
| PAT | 553.48 | 98.22 | (41.77) | 59,594 | 15,168 | 39,213 | 38,958 | 42,190 | 81,495 |
| PAT Margin ⁽⁴⁾ % | 7.94 | 1.44 | (0.83) | 7.37 | 2.68 | 5.85 | 5.79 | 6.73 | 11.78 |
| Networth ⁽⁵⁾ | 1,514.02 | 460.54 | 359.07 | 3,74,103 | 3,53,839 | 3,47,515 | 4,309.10 | 4,125.77 | 3,797.22 |
| RoE % ⁽⁶⁾ | 36.56 | 21.33 | (11.63) | 15.92 | 4.28 | 11.28 | 904.09 | 1022.60 | 2146.18 |
| RoCE % ⁽⁷⁾ | 39.54 | 30.95 | 10.09 | 16.32 | 6.77 | 16.57 | 10.90 | 12.00 | 26.52 |

*All the information for listed industry peers mentioned above is sourced from the Annual Reports of FY 23-24, FY 22-23 and FY 21-22.

Notes:

⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Finance Costs - Other Income

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

⁽⁵⁾ Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings.

Weighted Average Cost of Acquisition

(a) The price per share of our Company is based on the primary issuance of equity shares.

There has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a right issue allotted on December 18, 2023 during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

(b) The price per share of our Company based on the secondary transaction of equity shares

There have been no secondary sale/acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) Price per share based on the last five primary or secondary transactions.

Since there are transactions to report to under (a) & (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter/ Promoter Group entities or Selling shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions is as follow:

| Date of Transfer | Name of transferor | Name of transferee | No. of equity shares | Price per equity shares | Nature of Transaction | Total Consideration (₹ In Lakhs) |
|-------------------|--------------------|--------------------|----------------------|-------------------------|-----------------------|----------------------------------|
| December 18, 2023 | N.A. | N.A. | 6,07,523 | 82.30 | Right issue | 499.99 |
| | | Total | 6,07,523 | | | |

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

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Shares) | Floor price [^] (i.e. ₹ 153.00) | Cap price [^] (i.e. ₹ 161.00) |
|--|--|--|--|
| Weighted average cost of acquisition of primary issuance as per paragraph (a) above | - | - | - |
| Weighted average cost of acquisition for secondary transaction as per paragraph (b) above | - | - | - |
| Weighted average cost of acquisition for last five primary or secondary transaction as per paragraph I above | 82.30 | 0.54 times | 0.51 times |

Note:

[^]There were no primary / new issue of equity shares other than Equity Shares issued pursuant to a right issue allotted on December 18, 2023, in last 18 months and three years prior to the date of this Red Herring Prospectus.

The Company in consultation with the Lead Manager believes that the Issue Price of ₹[●] per share for the Public Issue is justified in view of the above parameters. *Investor should read the above-mentioned information along with the chapter titled “Risk Factors” beginning on page 34 of this Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “Financial Statements as Restated” beginning on page 195 of this Red Herring Prospectus.*

STATEMENT OF POSSIBLE TAX BENEFITS

To

The Board of Directors

Silky Overseas Limited

F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur,
IND Area Landmark, NR. Opposite Fire Station,
Wazir Pur III, North West Delhi, Delhi-110052, India.

Dear Sir,

Sub: Statement of Possible Special Tax Benefits (“the Statement”) available to Silky Overseas Limited (“the Company”) and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)

We hereby report that this certificate along with the annexure (hereinafter referred to as “**The Statement**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2025 (i.e. applicable to F.Y. 2025-26 relevant to A.Y. 2026-27) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax [GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions, which based on business imperatives, which the Company may or may not choose to fulfill or face in the future.

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. Further, the Preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company’s management. 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. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein.

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

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

The contents of this 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.

The information provided below sets out the Possible Special Direct Tax & Indirect Tax benefits available to the Company, and its Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of Equity Shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company, and the Shareholders of the Company to derive the direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, and the Shareholders of the Company may or may not choose to fulfil. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own Tax Consultant with respect to the tax implications of an investment in the shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Red Herring Prospectus/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.

**For Manish Pandey & Associates,
Chartered Accountants,
Firm Registration No.: 019807C**

Sd/-

Ravinder Panwar

Partner

Membership No.: 549996

UDIN: 25549996BOOAX9336

Date: June 23, 2025

Place: Noida

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SILKY OVERSEAS LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders as per the Income tax Act, 1961 (“IT Act”) as amended from time to time and applicable for financial year 2025-26 relevant to assessment year 2026-27 (AY 2026-27) and Indirect Tax Laws as amended from time to time and applicable for financial year 2025-26. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

I. Under the IT Act

1. Special Tax Benefits to the Company

There are no Special Tax Benefits available to the Company, except section 115BAA.

Clause (1) Section 115BAA of the Income Tax Act, 1961 states the following

“Notwithstanding anything contained in this Act but subject to the provisions of this Chapter, other than those mentioned under section 115BA and section 115BAB, the income-tax payable in respect of the total income of a person, being a domestic company, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2020, shall, at the option of such person, be computed at the rate of twenty-two per cent, if the conditions contained in sub-section (2) are satisfied:

Provided that where the person fails to satisfy the conditions contained in sub-section (2) in any previous year, the option shall become invalid in respect of the assessment year relevant to that previous year and subsequent assessment years and other provisions of the Act shall apply, as if the option had not been exercised for the assessment year relevant to that previous year and subsequent assessment years.”

2. Special Tax Benefits available to Shareholders

There are no Special Tax Benefits available to the Shareholders of the Company.

NOTES:

- The above statement of Possible Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- The above statement covers only certain Special Tax Benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- The above statement of Possible Special Tax Benefits is as per the current Direct Tax Laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
- As the Company has opted for concessional corporate income tax rate as prescribed under section 115BAA of the Act, it will not be allowed to claim any of the following deductions:

Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)

Deduction under clause (ii a) of sub-section (1) of section 32 (Additional Depreciation)

Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, Site restoration fund)

Deduction under sub-clause (ii) or sub-clause (ii a) or sub-clause (iii) of sub-section or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)

Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)

Deduction under section 35CCD (Expenditure on skill development)

Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA, 80LA and 80M;

No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;

No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above;

- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

II. Under the Indirect Tax Laws

3. Special Indirect Tax Benefits available to the Company

The Company does not have any Special Tax Benefit under Indirect Tax Laws.

4. Special Tax Benefits available to Shareholders

Shareholders of the Company are not eligible to special tax benefits under the provisions of the Central Goods and Services Act 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications)

The Shareholders of the Company are not entitled to any Special Tax Benefits under indirect tax laws.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE ACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document.

**For Manish Pandey & Associates,
Chartered Accountants,
Firm Registration No.: 04915S**

Sd/-
Ravinder Panwar
Partner
Membership No.: 549996
UDIN: 25549996BOOAX9336

Date: June 23, 2025
Place: Noida

SECTION VIII: ABOUT THE ISSUER COMPANY

OUR INDUSTRY

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 nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness, and underlying assumptions are not guaranteed, and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information as on specific dates and may no longer be current or reflect current trends.

Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect, and, accordingly, investment decisions should not be based on such information. *You should read the entire Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” and related notes beginning on pages 34 and 195 of Red Herring Prospectus.*

GLOBAL ECONOMY AT LARGE

Forces Shaping the Outlook

The global economy is holding steady, although the degree of grip varies widely across countries. Global GDP growth in the third quarter of 2024 was 0.1 percentage point below that predicted in the October 2024 WEO, after disappointing data releases in some Asian and European economies. Growth in China, at 4.7 percent in year-over-year terms, was below expectations. Faster-than-expected net export growth only partly offset a faster-than-expected slowdown in consumption amid delayed stabilization in the property market and persistently low consumer confidence. Growth in India also slowed more than expected, led by a sharper-than-expected deceleration in industrial activity. Growth continued to be subdued in the euro area (with Germany’s performance lagging that of other euro area countries), largely reflecting continued weakness in manufacturing and goods exports even as consumption picked up in line with the recovery in real incomes. In Japan, output contracted mildly owing to temporary supply disruptions. By contrast, momentum in the United States remained robust, with the economy expanding at a rate of 2.7 percent in year-over-year terms in the third quarter, powered by strong consumption.

Global disinflation continues, but there are signs that progress is stalling in some countries and that elevated inflation is persistent in a few cases. The global median of sequential core inflation has been just slightly above 2 percent for the past few months. Nominal wage growth is showing signs of moderation, alongside indications of continuing normalization in labor markets. Although core goods price inflation has fallen back to or below trend, services price inflation is still running above pre-COVID-19 averages in many economies, most notably the United States and the euro area. Pockets of elevated inflation, reflecting a range of idiosyncratic factors, also persist in some emerging market and developing economies in Europe and Latin America.

Where inflation is proving more sticky, central banks are moving more cautiously in the easing cycle while keeping a close eye on activity and labor market indicators as well as exchange rate movements. A few central banks are raising rates, marking a point of divergence in monetary policy.

Global financial conditions remain largely accommodative, again with some differentiation across jurisdictions (see Box 1). Equities in advanced economies have rallied on expectations of more business-friendly policies in the United States. In emerging market and developing economies, equity valuations have been more subdued, and a broad-based strengthening of the US dollar, driven primarily by expectations of new tariffs and higher interest rates in the United States, has kept financial conditions tighter.

Economic policy uncertainty has increased sharply, especially on the trade and fiscal fronts, with some differentiation across countries (Figure 1). Expectations of policy shifts under newly elected governments in 2024 have shaped financial market pricing in recent months. Bouts of political instability in some Asian and European countries have rattled markets and injected additional uncertainty regarding stalled progress on fiscal and structural policies. Geopolitical tensions, including those in the Middle East, and global trade frictions remain elevated.

The Outlook

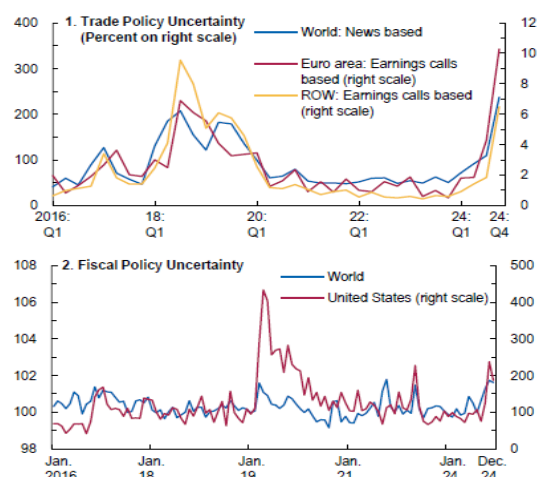
IMF staff projections assume current policies in place at the time of publication. They incorporate recent market developments and the impact of heightened trade policy uncertainty, which is assumed to be temporary, with the effects unwinding after about a year, but refrain from making any assumptions about potential policy changes that are currently under public debate. Energy commodity prices are expected to decline by 2.6 percent in 2025, more than assumed in October. This reflects a decline in oil prices driven by weak Chinese demand and strong supply from countries outside of OPEC+ (Organization of the Petroleum Exporting Countries plus selected non-member countries, including Russia), partly offset by increases in gas prices as a result of colder-than-expected weather and supply disruptions, including the ongoing conflict in the Middle East and outages in gas fields. Nonfuel commodity prices are expected to increase by 2.5 percent in 2025, on account of upward revisions to food and beverage prices relative to the October 2024 WEO, driven by bad weather affecting large producers. Monetary policy rates of major central banks are expected to continue to decline, though at different paces, reflecting variations in growth and inflation outlooks. The fiscal policy stance is expected to tighten during 2025–26 in advanced economies including the United States and, to a lesser extent, in emerging market and developing economies.

Global growth is expected to remain stable, albeit lackluster. At 3.3 percent in both 2025 and 2026, the forecasts for growth are below the historical (2000–19) average of 3.7 percent and broadly unchanged from October (Table 1; see also Annex Table 1). The overall picture, however, hides divergent paths across economies and a precarious global growth profile (Figure 2).

Among **advanced economies**, growth forecast revisions go in different directions. In the **United States**, underlying demand remains robust, reflecting strong wealth effects, a less restrictive monetary policy stance, and supportive financial conditions. Growth is projected to be at 2.7 percent in 2025. This is 0.5 percentage point higher than the October forecast, in part reflecting carryover from 2024 as well as robust labor markets and accelerating investment, among other signs of strength. Growth is expected to taper to potential in 2026.

In the **euro area**, growth is expected to pick up but at a more gradual pace than anticipated in October, with geopolitical tensions continuing to weigh on sentiment. Weaker-than-expected momentum at the end of 2024, especially in manufacturing, and heightened political and policy uncertainty explain a downward revision of 0.2 percentage point to 1.0 percent in 2025. In 2026, growth is set to rise to 1.4 percent, helped by stronger domestic demand, as financial conditions loosen, confidence improves, and uncertainty recedes somewhat.

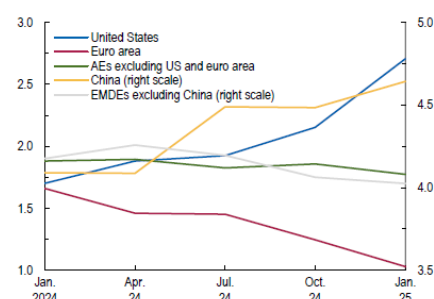
Figure 1. Policy Uncertainty
(Index, unless noted otherwise)



Sources: Baker, Bloom, and Davis 2016; Caldara and others 2020; Refinitiv Eikon; and IMF staff calculations.

Note: The uncertainty measures are news-based indices that quantify media attention to news related to an issue, in which a value of 100 corresponds to 1 percent of news articles that reference the issue. In panel 1, the euro area and the rest of the world (ROW) are based on the earnings-calls-based indicators, representing the proportion of firms that mention trade policy uncertainty (TPU) in their earnings calls. This measure reflects companies' concerns regarding TPU, based on the dictionary developed by Caldara and others (2020), <https://doi.org/10.1016/j.jmoneco.2019.11.002>. The ROW encompasses 22 countries, including the US. In panel 2, US fiscal policy uncertainty is a subcomponent of the Economic Policy Uncertainty Index developed by Baker, Bloom, and Davis (2016, <https://doi.org/10.1093/qje/qjw024>), whereas the indicator for the world is based on Hong, Ke, and Nguyen (2024, <https://doi.org/10.5089/9798400288128.001>).

Figure 2. Evolution of 2025 Growth Forecasts
(Percent)



Source: IMF staff calculations.

Note: The x-axis shows the months the World Economic Outlook is published. AEs = advanced economies; EMEs = emerging market and developing economies.

In *other advanced economies*, two offsetting forces keep growth forecasts relatively stable. On the one hand, recovering real incomes are expected to support the cyclical recovery in consumption. On the other hand, trade headwinds—including the sharp uptick in trade policy uncertainty—are expected to keep investment subdued.

In *emerging market and developing economies*, growth performance in 2025 and 2026 is expected to broadly match that in 2024. With respect to the projection in October, growth in 2025 for *China* is marginally revised upward by 0.1 percentage point to 4.6 percent. This revision reflects carryover from 2024 and the fiscal package announced in November largely offsetting the negative effect on investment from heightened trade policy uncertainty and property market drag. In 2026, growth is projected mostly to remain stable at 4.5 percent, as the effects of trade policy uncertainty dissipate and the retirement age increase slows down the decline in the labor supply. In *India*, growth is projected to be solid at 6.5 percent in 2025 and 2026, as projected in October and in line with potential.

In the *Middle East and Central Asia*, growth is projected to pick up, but less than expected in October. This mainly reflects a 1.3 percentage point downward revision to 2025 growth in *Saudi Arabia*, mostly driven by the extension of OPEC+ production cuts. In *Latin America and the Caribbean*, overall growth is projected to accelerate slightly in 2025 to 2.5 percent, despite an expected slowdown in the largest economies of the region. Growth in *sub-Saharan Africa* is expected to pick up in 2025, while it is forecast to slow down in *emerging and developing Europe*.

World trade volume estimates are revised downward slightly for 2025 and 2026. The revision owes to the sharp increase in trade policy uncertainty, which is likely to hurt investment disproportionately among trade-intensive firms. That said, in the baseline, the impact of heightened uncertainty is expected to be transitory. Furthermore, the front-loading of some trade flows in view of elevated trade policy uncertainty, and in anticipation of tighter trade restrictions, provides some offset in the near term.

Progress on *disinflation* is expected to continue. Deviations from the October 2024 WEO forecasts are minimal. The gradual cooling of labor markets is expected to keep demand pressures at bay. Combined with the expected decline in energy prices, headline inflation is projected to continue its descent toward central bank targets. That said, inflation is projected to be close to, but above, the 2 percent target in 2025 in the United States, whereas inflationary dynamics are expected to be more subdued in the euro area. Low inflation is projected to persist in China. Consequently, the gap between anticipated policy rates in the United States and other countries becomes wider.

Risks to the Outlook

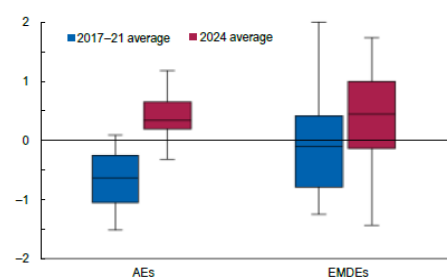
In the medium term, the balance of risks to the outlook is tilted to the downside, with global growth poised to be lower than its 2025–26 average and five-year-ahead forecasts at about 3 percent. Near-term risks, in contrast, could reinforce divergences across countries: they are tilted to the upside in the United States, whereas downside risks prevail in most other economies amid elevated policy uncertainty and headwinds from ongoing adjustments (in particular, energy in Europe and real estate in China).

An intensification of protectionist policies, for instance, in the form of a new wave of tariffs, could exacerbate trade tensions, lower investment, reduce market efficiency, distort trade flows, and again disrupt supply chains. Growth could suffer in both the near and medium term, but at varying degrees across economies.

A near-term boost for the US economy emanating from these factors would further underscore the divergent growth patterns across economies. If the adverse effects of tariffs and reduction in the labor force dominate, global activity as well as activity in the United States might be affected negatively in the medium term. Uncertainties are high: the effects of each factor would unfold differently across countries, influenced by trade and financial linkages; policy responses to actions taken by other countries could play out in a variety of ways, including an escalation of retaliatory tariffs; and the impacts of different policy combinations or different magnitudes of policy changes could be quite different.

Inflation dynamics could be shaped in opposite directions by these factors. The magnitude of the inflationary effect from tariffs is especially uncertain. While recent empirical studies find high pass-through to import prices, estimates of pass-through to consumer prices are lower and subject to significant uncertainty. Nevertheless, compared with what took place in earlier episodes of trade disputes, several factors suggest that upside risks to inflation from tariff hikes could be higher this time. First, the global economy is coming out of the most significant inflation surge in recent memory. Inflation expectations, especially in many advanced economies, are farther above the central bank target today than in 2017–21 (Figure 3). Second, the cyclical positions of many major economies are more conducive to higher inflation today than in 2016. Third, retaliation in the form of restrictions on specific, difficult-to-substitute materials or intermediate goods may have an outsized impact on aggregate inflation.

Figure 3. Cross-Country Inflation Expectations
(Percentage point deviation from target, next 12 months)



Sources: Central bank websites; Consensus Economics; Haver Analytics; and IMF staff calculations.

Note: The horizontal lines in the middle of the boxes are the medians, and the upper (lower) limits of the boxes are the third (first) quartiles. The whiskers show the maximum and minimum within a boundary of 1.5 times the interquartile range from the upper and lower quartiles, respectively. AEs = advanced economies; EMDEs = emerging market and developing economies.

On the upside, global economic activity may enjoy a bounce if incoming governments can renegotiate existing trade agreements and forge new deals. This could relieve uncertainty faster and be much less disruptive to growth and inflation. By boosting confidence, such cooperative outcomes could even support investment and medium-term growth prospects.

Momentum on other policy fronts could also lift growth. Many countries may embrace structural reforms to prevent divergence from their better-performing peers from becoming entrenched. Efforts to increase labor supply, reduce misallocation, enhance competition, and support innovation could raise medium-term growth.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)

INDIAN INDUSTRY OVERVIEW



Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP for FY25 is estimated at ₹ 33.10 lakh crore (US\$ 3.8 trillion) with growth rate of 9.9%, compared to ₹ 30.12 lakh crore (US\$ 3.5 trillion) in FY24. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY25. In FY25, India's exports stood at ₹ 37.31 lakh crore (US\$ 433.56 billion), with Engineering Goods (26.88%), Petroleum Products (13.86%) and electronic goods (8.89%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing.

In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

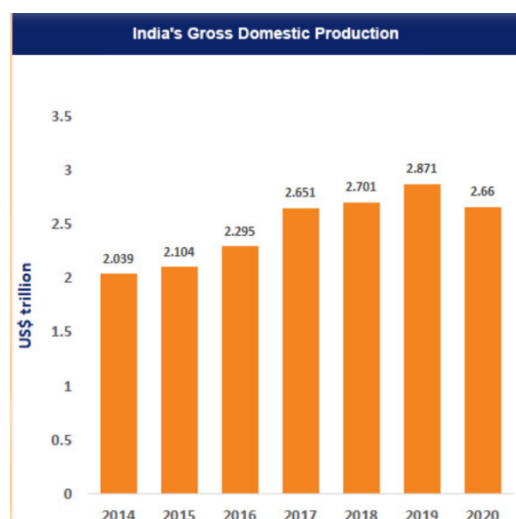
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

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

MARKET SIZE

Real GDP for FY25 is estimated at ₹ 187.95 lakh crores (US\$ 2.2 trillion) with growth rate of 6.5%, compared to ₹ 176.51 lakh crore (US\$ 2.06 trillion) for FY24. As on Jan 2025, there are 118 unicorn startups in India, with a combined valuation of over ₹ 3.0 lakh crore (US\$ 354 billion). The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. The Current Account Deficit (CAD)



stood at ₹ 98,095 crore (US\$ 11.5 billion) for Q3 of FY25 as compared to ₹ 88,712 crore (US\$ 10.4 billion) in Q3 of FY24. This was largely due to increase in merchandise trade deficit.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- The HSBC India Manufacturing PMI increased to 58.4 in April 2025, up from 58.1 in March 2025, based on preliminary estimates. This rise signifies improved operating conditions and represents the most rapid growth pace observed in the past year. Contributing factors include a notable surge in new export orders, which experienced their most significant increase in over fifteen years, alongside a faster expansion in overall new business activity.
- In Q1 CY25, private equity (PE) and venture capital (VC) investments stood at ₹ 1,16,861 crore (US\$ 13.7 billion) across 284 deals.
- India saw a robust 10.35% growth in passengers carried by domestic airlines at 431.98 lakh in FY25, from 391.46 lakh in FY24, according to the Directorate General of Civil Aviation (DGCA).
- As of April 18, 2025, India's foreign exchange reserves stood at ₹ 58,57,537 crore (US\$ 686.70 billion).
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- The gross GST (Goods and Services Tax) revenue collection stood at ₹ 1.84 lakh crore (US\$ 21.57 billion) in February 2025.
- Between April 2000–December 2024, cumulative FDI equity inflows to India stood at ₹ 89.88 lakh crore (US\$ 1.05 trillion).
- In February 2025, the overall IIP (Index of Industrial Production) stood at 151.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 141.9, 148.6 and 194.0, respectively.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) – Combined inflation was 3.34% in March 2025 against 4.85% in March 2024.
- Foreign Institutional Investors (FII) inflows in FY25 were close to ₹ 1.27 lakh crore (US\$ 14.89 billion), while Domestic Institutional Investors (DII) bought ₹ 6.00 lakh crore (US\$ 70.34 billion) in the same period.
- India's wheat procurement rose 34% YoY, reaching 22.36 MT as of April 28, 2025, with target of 31 MT in sight. Strong MSP, bonuses, and robust crop output boost sales to government agencies, ensuring food security and potential for open market intervention.

GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- According to a report by Wood Mackenzie in January 2025, India, the United States, and West Asia are expected to collectively add 100 Gigawatts (GW) of solar capacity by 2025, while China is anticipated to continue its leadership in the solar industry.
- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at ₹ 32.07 lakh crore (US\$ 383.93 billion) and ₹ 48.21 lakh crore (US\$ 577.16 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at ₹ 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is ₹ 11,11,111 crore (US\$ 133.27 billion).

- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of ₹ 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.

ROAD AHEAD

India's economy grew by 6.2% in Q3 FY25. Signs of recovery are now visible, with growth expected to rise to 7.6% in Q4 FY25—indicating a possible turnaround in the coming months. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of FY24 highlighted the unwavering support the government gave to its capital expenditure, which, in FY24, stood 37.4% higher than the same period last year. In the Union Budget of FY26, capital expenditure took lead by steeply increasing the capital expenditure outlay by 10.0 % to ₹ 11.21 lakh crore (US\$ 131.42 billion) over ₹ 10.18 lakh crore (US\$ 119.34 billion) in FY25. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

India's total exports of goods and services rose by 5.5% to a record ₹ 69.8 lakh crore (US\$ 820.9 billion) in FY25, compared to ₹ 65.8 lakh crore (US\$ 773.0 billion) in FY24.

With a reduction in port congestion, supply networks are being restored. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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



TEXTILES INDUSTRY 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.

According to Crisil Ratings, the organised retail apparel sector is projected to achieve revenue growth of 8-10% in FY25, driven by rising demand from a normal monsoon, easing inflation, and the festive and wedding seasons.

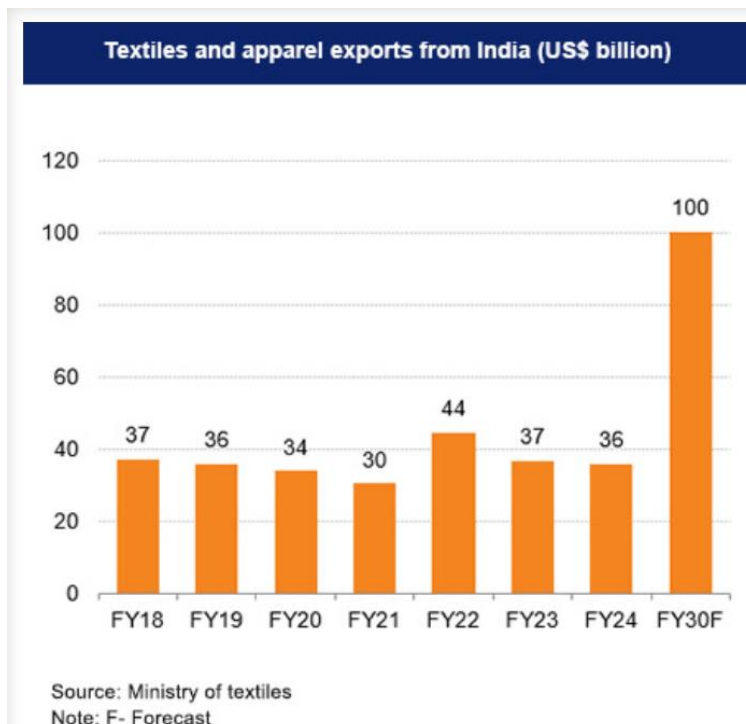
The increasing preference for affordable, trendy fashion clothing that mimics high-fashion designs is expected to be the primary revenue driver. In order to attract private equity and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), 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.

India's textile industry is on the brink of expansion, with total textile export projected to reach US\$ 65 billion by FY26. India saw a 36.4% increase in industrial design applications, particularly in textiles, accessories, tools, machines, health, and cosmetics.

According to ICRA, Indian apparel exporters are projected to achieve revenue growth of 9-11% in FY25, driven by the gradual reduction of retail inventory in key end markets and a shift in global sourcing towards India.

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.

INVESTMENT AND KEY DEVELOPMENT

- Total FDI inflows in the textiles sector stood at US\$ 4.56 billion between April 2000 - September 2024.
- The textile sector has witnessed a spurt in investment during the last five years.
- The Textile Ministry's allocation increases by 19%, rising from ₹ 4,417.03 crore (US\$ 512 million) in 2024-25 to ₹ 5,272 crore (US\$ 611 million) in 2025-26, reflecting the government's commitment to addressing long-standing challenges and unlocking new growth opportunities.
- The Union Budget 2025-26 allocates ₹ 1,148 crore (US\$ 133.1 million) for the PLI Scheme to boost domestic manufacturing and exports, and ₹ 635 crore (US\$ 73.6 million) for the Amended Technology Upgradation Fund Scheme to modernize textile machinery.
- In August 2023, government has sanctioned the establishment of seven PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks on Greenfield and Brownfield sites. These parks will feature world-class infrastructure, including plug-and-play facilities, with a total investment of ₹ 4,445 crore (US\$ 535 million) over a seven-year period, extending to 2027-28.
- Ministry of Textiles has sanctioned 19 research projects totalling approximately ₹ 21 crore (US\$ 2.52 million) across various domains of Technical Textiles under the National Technical Textiles Mission.
- DS Group's luxury menswear division, Brioni inaugurates its first boutique in India in November 2023.
- In November 2023, Reliance Foundation launched the first 'Swadesh' handicrafts store in Hyderabad, aimed at supporting and promoting Indian craftwork.
- Industry bodies to host the largest global mega textiles event, Bharat Tex 2024 from February 26-29, 2024, in New Delhi. According to Union Minister, Mr. Piyush Goyal, Bharat Tex 2024 Expo is a testament to India's commitment to becoming a global textile powerhouse.
- In September 2023, the Khadi and Village Industries Commission signed 3 MoUs to promote Khadi Products.
- In September 2023, Grasim Industries plans to open nearly 120 retail stores over the upcoming 2 years, by expanding its footprint in smaller cities and towns.
- In September 2023, Reliance Retail Ventures Ltd. (RRVL) announced the acquisition of Ed-a-Mamma for a 51% stake.
- In September 2023, Shadowfax inaugurated a 1.5 lakh sq. ft. fulfilment centre in Surat with 10 lakh orders per day processing capacity.
- In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission.

- In July 2023, PM MITRA Park, Amravati expected to attract investment of ₹ 10,000 crore (US\$ 1.20 billion) and create employment for 300,000 individuals.
- In May 2023, an investment of around ₹ 6,850 crore (US\$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and ₹ 8,675 crore (US\$1.04 billion) in other parts of the state.
- In May 2023, Aditya Birla Fashion and Retail Ltd. announced the acquisition of TCNS Clothing with a deal size of US\$ 198.54 million.
- India is expected to host the 81st Plenary Meeting of the International Cotton Advisory Committee (ICAC) from 2nd to 5th December 2023 in Mumbai with the theme “Cotton Value Chain- Local Innovations for Global Prosperity”.
- Cott-Ally mobile app has been developed for farmers to increase awareness about MSP rates, nearest procurement centers, payment tracking, best farm practices etc.
- In April 2023, Godrej Consumer Products Ltd (GCPL) announced the ₹ 2,825 crore (US\$ 339.93 million) acquisition of Raymond Consumer Care Ltd (RCCL).
- In April 2022, Indo Count Industries bagged the home textile business of GHCL for US\$ 74.14 million.
- In March 2022, Reliance Retail Ventures Limited (RRVL) acquired a controlling share of Purple Panda Fashions for US\$ 115.8 million.
- Sutlej Textiles plans to set up a green field project for 89,184 spindles comprising cotton mélange yarn and PC grey yarn along with a dye house in Jammu & Kashmir with an estimated cost of US\$ 111.41 million (Rs. 914 crore).
- Vardhman has established Vardhman ReNova, a cotton recycling facility with a six TPD production capacity. By establishing two new facilities in Madhya Pradesh, the company has also increased its capacity to produce yarn. With top-notch technology, the expansion includes over 100,000 spindles in total. This will result in a 75 TPD increase in yarn production capacity.
- The textile ministry has selected 61 companies, including Arvind Limited to enjoy benefits under its US\$ 1.3 billion (Rs. 10,683 crore) production-linked incentive (PLI) scheme for the labour-intensive textiles and garment sector. The companies have pledged to invest US\$ 2.32 billion (Rs 19,077) crore over five years under the scheme, which will lead to an incremental turnover of US\$ 22.55 billion (Rs 1.85 trillion) and direct employment generation for 240,000 people.
- Arvind Limited, the largest textile-to-technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specializes in rejuvenating textile waste into virgin-grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills.
- In November 2022, local weavers in Tuensang in Nagaland were provided 45 days of skill-upgrading training, which would equal 315 hours under the SAMARTH programme.
- In 2022-23, the Sardar Vallabhbhai Patel International School of Textiles and Management (SVPISTM) is planning to offer B.Sc. and MBA courses in technical textiles.

GOVERNMENT INITIATIVES

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

Other initiatives taken by the Government of India are:

- Secretary of the Ministry of Textiles, Ms. Rachna Shah, announced that India's technical textiles market has great potential, with a notable growth rate of 10% and ranking as the 5th largest in the world.
- A tripartite Memorandum of Understanding (MoU) was signed by the Textiles Committee under the Ministry of Textiles, the Government e Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) to promote upcycled products made from textile waste and scrap.
- Mr. Piyush Goyal also discussed the roadmap to achieve the target of US\$ 250 billion in textiles production and US\$ 100 billion in exports by 2030.

- In July 2023, 43 new implementing partners were empanelled under the SAMARTH scheme and an additional target of training around 75,000 beneficiaries has been allocated.
- 1,83,844 beneficiaries trained across 1,880 centres under Samarth.
- In June 2023, the Government approved R&D projects worth US\$ 7.4 million (Rs. 61.09 crore) in the textile sector.
- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.
- In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was ₹ 4,389.24 crore (US\$ 536.4 million). Out of this, ₹ 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), ₹ 450 crore (US\$ 54.99 million) for National Technical Textiles Mission, and ₹ 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.
- In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed. 9777 people were trained in a variety of activities relating to the silk industry.
- In December 2022, a total of US\$ 75.74 million (Rs. 621.41 crore) in subsidies was distributed in 3,159 cases under the Amended Technology Upgradation Fund Scheme, with special campaigns held in significant clusters to settle backlog cases.
- In December 2022, a total of 73,919 people (SC: 18,194, ST: 8,877, and Women: 64,352) have received training, out of which 38,823 have received placement under SAMARTH.
- The establishment of 7 (seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks with a total investment of US\$ 541.82 million (Rs. 4,445 crore) for the years up to 2027–28 was approved by the government.
- In the academic year 2022–23, the opening of a new campus of the National Institute of Fashion Technology (NIFT) in Daman. Moreover, new campus buildings are being constructed in Bhopal and Srinagar.
- Under the National Technical Textile Mission (NTTM), 74 research projects for speciality fibre and technical textiles valued at US\$ 28.27 million (Rs. 232 crore) were approved. 31 new HSN codes have been developed in this space.
- In November 2022, Tamil Nadu Chief Minister Mr. M. K. Stalin announced the establishment of a "Textile City" in Chennai as part of Tamil Nadu's strategy to become a major participant in the global textile industry. Additionally, the state will build a 1,500-acre textile park in the Virudhunagar district, for which SIPCOT will buy land.
- In June 2022, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.
- In June 2022, Amazon India signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state.
- In June 2022, the Kerala government announced that it would provide free training to 1,975 candidates under the SAMARTH scheme of the textile industry.
- The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles.
- In May 2022, Minister of Micro, Small and Medium Enterprises, Mr. Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.
- In April 2022, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Mr. Piyush Goyal, said that new Economic Cooperation and Trade Agreements with Australia and the UAE would

open infinite opportunities for textiles and handloom. Indian textile exports to Australia and the UAE would now face zero duties, and he expressed confidence that soon Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.

- In March 2022, the Tamil Nadu government included a Sustainable Cotton Cultivation Mission in its agriculture budget by allocating US\$ 1.86 million (Rs 15.32 crore) to enhance the yield of organic cotton.
- In March 2022, the Ministry of Textiles, in collaboration with the Confederation of Indian Industries (CII), organized a day-long International Conference on Technical Textiles with the theme: Creating the Winning Leap in Technical Textiles.
- The Khadi and Village Industries Commission (KVIC) achieved turnover of ₹ 1.15 lakh crore (US\$ 14.68 billion) in FY22, a growth of 20.54% YoY, and more than any Indian FMCG company managed in FY22.
- The Government of India has earmarked a corpus of ₹ 1,000 crore (US\$ 127.72 million) dedicated for research and development of the technical textiles sector.
- In March 2022, the Bihar government submitted a proposal to the Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park.
- In March 2022, Tamil Nadu Chief Minister Mr. MK Stalin announced that the State Industries Promotion Corporation of Tamil Nadu Ltd (SIPCOT) will set up a mega textile park in the Virudhunagar district.
- For export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.
- The Ministry of Textiles has also been implementing the Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.
- In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US\$ 10 billion over the next three years.
- The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.
- Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of ₹ 30 crore (US\$ 4.03 million) under the National Handloom Development Programme (NHDP).

ROAD AHEAD



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

Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials.

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

The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020.

Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.

References: Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau, Union Budget 2023-24

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

INDIAN MANUFACTURING INDUSTRY

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.

Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India's manufacturing sector reached a 16-year high in March, with the HSBC Manufacturing Purchasing Managers' Index (PMI) rising to 59.1, driven by strong increases in output, new orders, and job creation across various goods sectors.

India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, these value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship.

Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

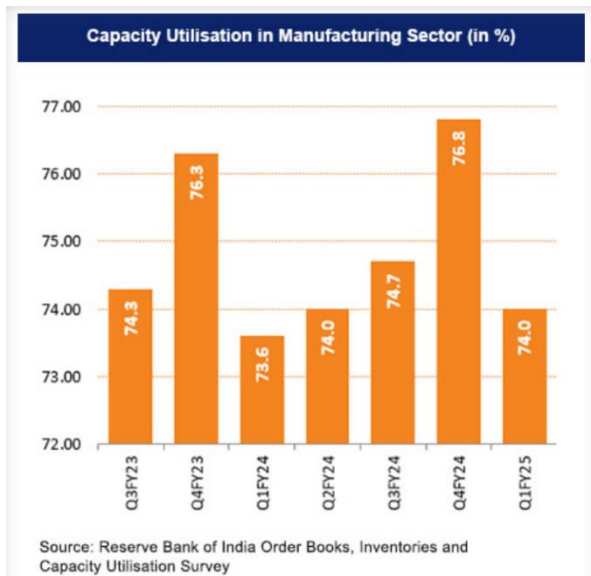
FDI in India's manufacturing sector has reached US\$ 165.1 billion, a 69% increase over the past decade, driven by production-linked incentive (PLI) schemes. In the last five years, total FDI inflows amounted to US\$ 383.5 billion.

India is planning to offer incentives of up to ₹ 18,000 crore (US\$ 2.2 billion) to spur local manufacturing in six new sectors including chemicals, shipping containers, and inputs for vaccines.



India ranked among the top five countries in services export growth in FY25 (April-November), rising to 12.8% from 5.7% in FY24, with computer and business services contributing around 70%. Major players like Apple and its contract manufacturers, along with Dixon Technologies, are expanding their workforce to meet growing production needs.

MARKET SIZE



India's exports grew 6% YoY to ₹ 52,90,225 crore (US\$ 602.6 billion) in April-December 2024, driven by strong growth in non-petroleum goods and services, with key contributions from pharmaceuticals, electronics, engineering goods, chemicals, and the e-commerce sector. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's e-commerce exports are projected to grow from ₹ 8,757 crore (US\$ 1 billion) to ₹ 35,02,800 crore (US\$ 400 billion) annually by 2030, aiding in achieving ₹ 1,75,14,000 crore (US\$ 2 trillion) in total exports

India's smartphone exports hit a record ₹ 20,395 crore (US\$ 2.44 billion) in November 2024, marking a 92% surge from ₹ 10,634 crore (US\$ 1.27 billion) in November 2023.

India's smartphone exports surged by 42% in FY24, reaching ₹ 1,35,517.20 crore (US\$ 15.6 billion), with the US as the top destination, reflecting the success of the Production-Linked Incentive (PLI) scheme in boosting the sector.

As per the survey conducted by Reserve Bank of India, capacity utilisation in India's manufacturing sector stood at 76.8% in the third quarter of FY24, indicating a significant recovery in the sector.

India's GDP surged by 8.4% in the October-December quarter, surpassing expectations. GDP growth was driven by robust performances in the manufacturing and construction sectors, with the manufacturing sector expanding by 11.6% annually and the construction sector growing by 9.5%.

India's total exports during April-December 2024 is estimated at ₹ 52,35,134 crore (US\$ 602.64 billion) registering a positive growth of 6.03%.

The manufacturing sector of India has the potential to reach ₹ 87,57,000 crore (US\$ 1 trillion) by FY26.

The Indian startup ecosystem experienced a significant rebound, securing approximately ₹ 5,177.45 crore (US\$ 596 million) in funding this week, marking a 226% increase compared to the previous week. This surge was driven by 23 startups, including notable deals such as Zepto raising ₹ 3,040.45 crore (US\$ 350 million) and HealthKart securing ₹ 1,329.11 crore (US\$ 153 million). The average funding over the past eight weeks has been around ₹ 2,317.43 crore (US\$ 266.77 million) per week, with a total of nearly ₹ 86,870 crore (US\$ 10 billion) raised by Indian startups so far this year, indicating a strong trajectory toward surpassing last year's total funding of ₹ 91,214 crore (US\$ 10.5 billion). India has potential to become a global manufacturing hub and by 2030, it can add more than ₹ 43,43,500 crore (US\$ 500 billion) annually to the global economy.

India's display panel market is estimated to grow from ₹ 60,809 crore (US\$ 7 billion) in 2021 to ₹ 1,30,305 crore (US\$ 15 billion) in 2025.

The manufacturing GVA at basic prices was estimated at ₹ 11,21,421 crore (US\$ 128.06 billion) in the Q4 FY24.

INVESTMENT

Some of the major investments and developments in this sector in the recent past are:

- Shree Cement has signed a Memorandum of Understanding (MoU) with the Department for Promotion of Industry and Internal Trade (DPIIT) to support manufacturing sector startups by providing infrastructure, mentorship, funding access, and market connections, aiming to enhance India's manufacturing ecosystem and promote self-reliance through domestic innovation.

- India's defence exports soared by 78% in Q1 FY25, reaching ₹ 6,915 crore (US\$ 828 million). This growth reflects the country's push for self-reliance in defence manufacturing, with total exports hitting a record ₹ 20,915 crore (US\$ 2.51 billion) in FY24, marking a 25% increase from the previous year.
- Sansera Engineering Limited has signed an MoU with the Karnataka government to invest ₹ 2,100 crore (US\$ 251 million) in a new manufacturing facility in Ramanagara, aiming to create 3,500 jobs and enhance production capacity in the automotive and non-automotive sectors over the next three to five years.
- Google is set to begin manufacturing Pixel smartphones in India, specifically in Tamil Nadu, in collaboration with Foxconn and Dixon Technologies. This production aims to cater primarily to export markets in Europe and the US, with operations expected to start in September 2024. The initiative comes as Google prepares to launch its Pixel 9 series in India on August 13, leveraging India's Production-Linked Incentive (PLI) scheme to enhance manufacturing scalability.
- Maruti Suzuki has begun exporting the Made-in-India Fronx compact SUV to Japan, marking its first SUV launch in the Japanese market. Manufactured at its Gujarat plant, the first shipment of over 1,600 vehicles has already left for Japan, with the official launch planned for autumn 2024.
- India's first 'Made in India' chip will be launched ahead of schedule, supported by the ₹ 76,000 crore (US\$ 8.79 billion) Semicon India program. Foreign investments are also flowing in, with NXP Semiconductors planning to invest ₹ 8,644 crore (US\$ 1 billion) in R&D and Micron Technology setting up a ₹ 23,771 crore (US\$ 2.75 billion) plant in Gujarat. India's semiconductor market is projected to reach ₹ 5,44,572 crore (US\$ 63 billion) by 2026.
- According to Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of ₹ 4,03,251 crore (US\$ 46.42 billion) in FY24.
- Between April 2000-September 2024:
 - The automobile sector received FDI inflows of ₹ 2,43,175 crore (US\$ 37.21 billion).
 - The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth ₹ 1,39,776 crore (US\$ 22.87 billion).
 - The drug and pharmaceutical manufacturing sector received FDI inflows worth ₹ 1,39,229 crore (US\$ 23.04 billion).
 - The Food Processing Industries received FDI inflows worth ₹ 85,343 crore (US\$ 12.95 billion).
- During the FY23, around 1.39 crore net members were added by EPFO with an increase of 13.22% compared to the FY22 wherein EPFO had added approximately 1.22 crore net members.
- Mobile phone exports from India nearly doubled to reach ₹ 47,779 crore (US\$ 5.5 billion), by August in FY24, with the government anticipating mobile phone exports worth ₹ 1,00,000 crore (US\$ 12 billion) this year.
- For the month of January 2024, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at 153.0. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of January 2024 stand at 144.1, 150.1 and 197.1, respectively.
- The Index of Industrial Production (IIP) from April-January 2024 stood at 143.4.
- The combined index of eight core industries stood at 150.3 for April-November 2023 against 139.4 for April-November 2022.
- The cumulative index of eight core industries increased by 8.6% during April-October 2023-24 over the corresponding period of the previous year.
- India's manufacturing sector, driven by pharmaceuticals, motor vehicles, and cement, demonstrated resilience despite weak global demand in July-August 2023. PMI remained robust, reflecting domestic economic strength. Capacity utilization in manufacturing trended upwards, signalling positive investment prospects. RBI MPC maintained policy repo rate to control inflation.
- India aims for ₹ 8,68,700 crore (US\$ 100 billion) annual foreign direct investment (FDI) in the coming years, according to Union Minister of Information and Broadcasting Mr. Ashwini Vaishnaw, as part of the government's

strategy focused on infrastructure investment, social upliftment, manufacturing growth, and simplification of business processes, amidst projections of consistent 6-8% economic growth over the next decade.

- At the aggregate level, the capacity utilization (CU) in the manufacturing sector increased to 74.0% in Q2 FY24 from 73.6% in the previous quarter.
- In FY24, the export of the top six major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, and Drugs and Pharmaceuticals) stood at ₹ 27,02,848 crore (US\$ 308.65 billion).
- In FY24, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 59.1.

GOVERNMENT INITIATIVES

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- In the Union Budget 2025-26:
 - The Union Budget 2025-26 has been well received by the renewable energy industry, with experts praising its emphasis on clean power, domestic manufacturing, and sustainability. Key initiatives include the ₹ 20,000 crore (US\$ 2.30 billion) allocation for nuclear energy, legislative reforms for energy security, and the ₹ 20,000 crore (US\$ 2.30 billion) commitment to the PM Surya Ghar Muft Bijli Yojana for rooftop solar expansion.
 - On February 7, 2025, the Union Cabinet has approved the restructuring of the Skill India Programme with an ₹ 8,800 crore (US\$ 1.1 billion) outlay, extending it till 2026 to integrate demand-driven, tech-enabled, industry-aligned training nationwide.
 - In The Union Cabinet has announced the merger of Pradhan Mantri Kaushal Vikas Yojana 4.0, Pradhan Mantri National Apprenticeship Promotion Scheme, and Jan Shikshan Sansthan Scheme under the Skill India Programme.
- On the 10th anniversary of the 'Make in India' initiative, Union Commerce and Industry Minister Mr. Piyush Goyal reported significant achievements, including an 85% reduction in mobile imports and a 200% increase in manufacturing jobs from 2022 to 2024. He emphasized that 99% of mobile phones in India are now produced domestically, reflecting the initiative's success in transforming India's manufacturing landscape and attracting substantial Foreign Direct Investment (FDI). He highlighted ongoing efforts to improve the ease of doing business and support the startup ecosystem, aiming to position India as a global manufacturing hub and a developed nation by 2047.
- Union Minister of Education and Skill Development & Entrepreneurship, Mr. Dharmendra Pradhan inaugurates Rashtriya Udyamita Vikas Pariyojana under Skill India Mission, empowering PM SVANidhi beneficiaries with comprehensive 22-week entrepreneurship training, including theoretical and practical components, in collaboration with Flipkart and focusing on 40% women participation.
- Semiconductor associations IESA and SEMI signed a Memorandum of Understanding (MoU) in Bengaluru to establish India as a global manufacturing hub, focusing on talent development, policies, design, skilling, research, academia, and supply chains, leveraging SEMI's international network and IESA's expertise.
- Under the Skill India mission, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has trained over 1.40 crore candidates since 2015, as per Skill India Digital data until December 13, 2023. Notably, in the Short-term Training (STT) program, 42% of certified candidates found placement opportunities, with 24.39 lakh candidates successfully placed out of 57.42 lakh certified.
- Ministry of Defence has set a target of achieving a turnover of ₹ 217.18 crore (US\$ 25 million) in aerospace and defence Manufacturing by 2025, which includes ₹ 43,435 crore (US\$ 5 billion) exports.
- Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- By 2030, the Indian government expects the electronics manufacturing sector to be worth ₹ 26,06,100 crore (US\$ 300 billion).

- Initiatives like Make in India, Digital India and Startup India have given the much-needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.
- The PLI for semiconductor manufacturing is set at ₹ 760 billion (US\$ 9.71 billion), with the goal of making India one of the world's major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of ₹ 348.70 crore (US\$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.

ROAD AHEAD

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury, and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach ₹ 87,57,000 crore (US\$ 1 trillion) by FY26. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of ₹ 2,95,35,800 crore (US\$ 3.4 trillion) along with a population of 1.48 billion people, which will be a big draw for investors. The Indian Cellular and Electronics Association (ICEA) predicts that India has the potential to scale up its cumulative laptop and tablet manufacturing capacity to US\$ 100 billion by 2025 through policy interventions.



One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation.

The corridors would further assist in integrating, monitoring, and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

References: Central Statistics Office, FICCI, Economic Survey of India, DPIIT, Media sources, Ministry of Skill Development and Entrepreneurship, Economic Survey 2022-23, Union Budget 2023-24, Press Information Bureau, News Articles

(Source : <https://www.ibef.org/industry/manufacturing-sector-india>)

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contains certain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on the page 25 of this Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in “Risk Factors” on page 34 of this Red Herring Prospectus.

This section should be read in conjunction with and is qualified in its entirety by, the detailed information about our Company and its Financial statements, with Industries Overview including notes thereto, in the section titled “Risk Factors”, “Financial Information” to such risk factors beginning on page 34 and 195 respectively of this Red Herring Prospectus.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “Financial Information”, included in this Red Herring Prospectus on the page 195 of this Red Herring Prospectus.

Unless otherwise stated or the Context otherwise requires, in relation to business operations, in this section of the Red Herring all references to “we”, “us”, “our”, “Company” or “Our Company” are to Silky Overseas Limited. Unless otherwise stated or the context otherwise required, the financial information used in this section is derived from our Restated Financial Statements.

OVERVIEW OF OUR BUSINESS

Our Company was incorporated as a Private Limited Company under the name ‘Silky Overseas Private Limited’, under the provisions of the Companies Act, 2013, and a Certificate of Incorporation was issued by the Registrar of Companies, Central Registration Centre on May 01, 2016. The status of the Company was changed to public limited, and the name of our Company was changed to ‘Silky Overseas Limited’ vide Special Resolution dated October 19, 2023. The fresh certificate of Incorporation consequent to conversion was issued on November 07, 2023, by the Registrar of Companies, Delhi. The Corporate Identity Number of our Company is U17110DL2016PLC298888.

Our company is based in Delhi having its registered office is located at F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India. Our processing facility is located at Khasra no. 17//17/2, 18, 19/1, 22/2, 23, 24/1, 36//2/2, 3, 4/1/1, Village- Jawahara, Pardhana Road, Tehsil- Khanpur, District- Sonipat, India

Our Core business is as follows:

We are manufacturers and suppliers of bedding products, including blankets, bed sheets, comforters, and related items. Our manufacturing process is integrated and includes knitting, dyeing, processing, printing, and packaging, all conducted within a single facility. This approach allows for the efficient production of large quantities while ensuring that products maintain a consistent standard of comfort and durability. Our product range includes blankets, baby blankets, comforters, bedsheets, and curtains, all designed by a team of professionals and produced using appropriate machinery and techniques. The company holds ISO 9001:2015 certification, demonstrating adherence to quality standards as recognized by the United Registrar of Systems certification body.

We manufacture products based on the order specifications received from our customers to meet their requirements. We believe that maintaining a range of products in our business provides us with an opportunity to cater to the diverse needs of different customer segments. Further, we believe that we have experience resources, and a network that can be customized and leveraged to cater to a wider range of bulk packaging containers as per the requirements of the customers. The Company is enhancing its product range as well as its client base so the dependency on a few customers for sale can be avoided.

Along with manufacturing we also deal in trading of our products by procuring from the local market and directly selling without any modification. Our revenue from operation can be bifurcated between Manufacturing and trading activities as follows:

(₹ In Lakhs)



| Particulars | For the Ten Months period ended | | For the Financial Year ended | | | | | |
|--|---------------------------------|---------------|------------------------------|---------------|-----------------|---------------|-----------------|---------------|
| | January 31, 2025 | | March 31, 2024 | | March 31, 2023 | | March 31, 2022 | |
| | Revenue | In % | Revenue | In % | Revenue | In % | Revenue | In % |
| Manufacturing Activity | 7,834.23 | 74.60 | 6,356.08 | 91.19 | 6,583.80 | 96.38 | 4,394.71 | 87.68 |
| Trading Activity | 2,616.98 | 24.92 | 573.69 | 8.23 | 180.07 | 2.64 | 574.05 | 11.45 |
| Other operating Revenue (Sale of scrap, Rebate and Discount) | 49.95 | 0.48 | 40.72 | 0.58 | 66.89 | 0.98 | 43.34 | 0.86 |
| Total Revenue from operations | 10,501.15 | 100.00 | 6,970.49 | 100.00 | 6,830.76 | 100.00 | 5,012.10 | 100.00 |

Our sales strategy is fundamentally organic, facilitated by customer-initiated interactions on our website. This approach highlights our dedication to delivering a seamless, user-friendly online shopping experience, meticulously designed to cater to the diverse needs of our clientele.

Our company's sales are organic, driven by customer visits to our website where they place orders for our range of products. This approach highlights the focus on creating an efficient and user-friendly online shopping platform designed to meet the varied needs of customers. A screenshot of one of the best seller's products which got more than 21000 reviews is attached beside.

Our success is due to understanding customer needs, offering cost-effective and consistent quality products, adhering to delivery schedules, being flexible with sizes, and providing responsive customer service. We have a well-trained team dedicated to meeting special quality requirements.

To support business growth, the plan is to increase presence in domestic markets by expanding the sales network, with a focus on consistently acquiring new customers. We generate major domestic sales from the state of Haryana. Furthermore, we have distributors in other states such as West Bengal, Assam, Punjab, New Delhi, Bihar etc. E-commerce and direct-to-consumer (D2C) present significant opportunities for the company, given the growing potential of the sector. E-commerce in India is currently at a key stage of development and has been experiencing consistent year-on-year growth since its inception. We sold 40,000 blankets on Flipkart alone. Since then, we have added other portals such as Ajio, Amazon, Walmart, etc., and our own website www.silkyoverseas.com. We believe that since we are catering to both B2B and D2C customers and since the demands of our existing customers are continuously evolving, as a consequence of the same, there will be a continuous demand to evolve our existing products and expand our product portfolio to meet these requirements.

The bifurcation of revenue between B2B and B2C for ten months period ended on January 31, 2025 and the past 3 financial years are:

(₹ In Lakhs)

| Particulars | For ten months period ended on January 31, 2025 | For financial year ended March 31, 2024 | For financial year ended March 31, 2023 | For financial year ended March 31, 2022 |
|--------------|---|---|---|---|
| B2B Sales | 10,261.50 | 6,716.97 | 6,641.82 | 4,787.47 |
| B2C Sales | 239.66 | 309.28 | 193.62 | 229.31 |
| Total | 10,501.15 | 7,026.25 | 6,835.44 | 5,016.78 |

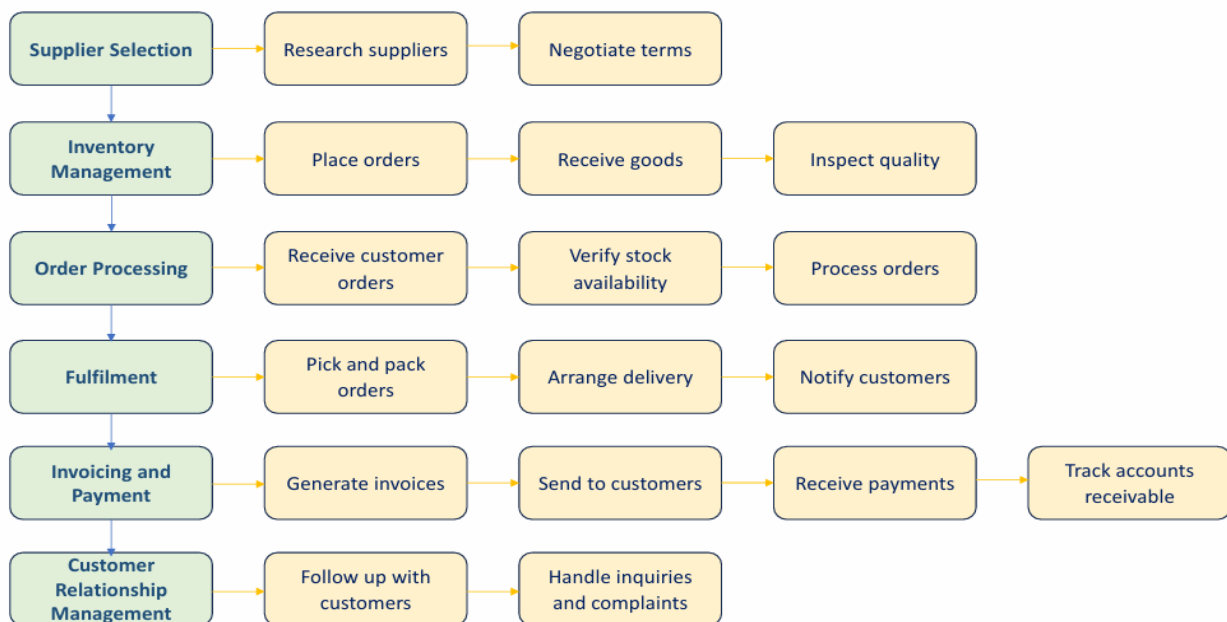
The company generally undertakes B2B sales organically. Since we are located in Panipat, which is famous for its quality blankets and carpets all over India, hence maximum B2B sales takes place directly through our factory premises.

We intend to diversify our product portfolio which could cater to customers across segments, sectors, and geographies. Recently, our Company has added other products such as bedsheets, curtains, comforters, etc. We believe that our emphasis on quality of manufacture and timely delivery of our offerings have been a key factor in our ability to attract new customers

and retain our existing customers. Our Company intends to focus on adhering to the quality standards of the products. Continuous quality review of products and timely corrective measures in case of quality diversion are keys to maintaining the quality standards of the products. Providing the desired and good quality products helps us in enhancing customer trust and maintaining long-term relationships with them.



Trading Business Model



The average time required to complete the transaction and finalize the Whole cycle is typically 10 to 12 days.

The company specializes in trading knitted and crocheted fabrics, which are sourced from textile markets in Panipat. It focuses solely on procuring the fabric from these markets and selling it at a higher margin. The company deals only in the fabrics, these specific product categories are not part of their current portfolio. The fabric is used as a raw material in the following products.:

- Pillow Covers: Knitted or crocheted covers featuring designs for various seasons or themes.
- Bedspreads and Quilts: Knitted bedspreads and crocheted quilts that provide both functional and decorative value.
- Tablecloths and Table Runners: Knitted or crocheted table linens, including textured runners for special occasions.
- Curtains and Drapes: Crocheted sheer curtains for a light atmosphere and knitted panels offering warmth and privacy.
- Rugs: Knitted rugs for added comfort and crocheted rugs in different shapes and sizes for various spaces.
- Basket Covers: Covers for storage baskets that serve both practical and decorative purposes.

- Wall Hangings: Knitted or crocheted wall art designed for home decor.

Market Analysis

We apply industry knowledge to analyze market trends, informing our fabric sourcing decisions. This approach ensures efficient operations and aligns purchasing with market conditions, enabling us to maintain competitive pricing while fostering long-term business relationships.

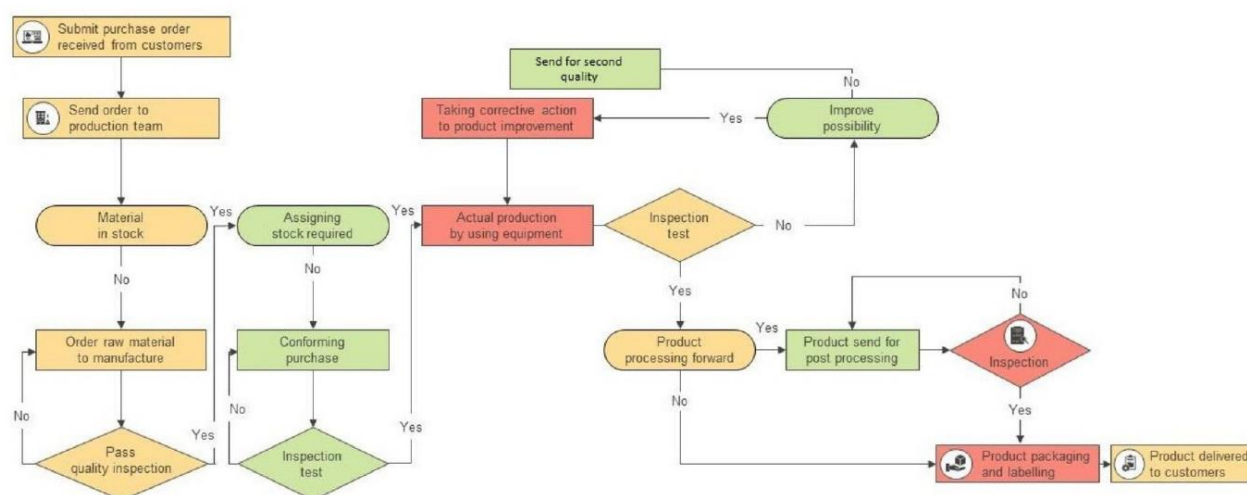
Strategic Approach

Our strategy relies on data analytics and industry expertise to procure fabrics at favourable prices, allowing us to offer products at wholesale rates while maintaining margins. This approach enables us to remain adaptable to market conditions and manage pricing efficiently.

Final Sales

The pricing of our fabrics is determined by current market rates and available inventory. By regularly assessing supply and demand, we aim to maintain pricing that reflects market conditions and provides value while sustaining business profitability.

The business flow chart which depicts the start of business order to the conclusion.



Financial Performance

The company's solid financial performance can be attributed to its focus on operational and functional efficiency. We made ₹10,510.15 Lakhs, ₹ 6,970.49 Lakhs, ₹ 6,830.76 Lakhs, and ₹ 5,012.10 Lakhs in total revenue from the sale of items for the ten months period ended on January 31, 2025, financial year that ended March 31, 2024, 2023, and 2022, respectively. The net profit after tax for ten months period ended January 31, 2025 ₹ 917.07 Lakhs and the fiscal year that concluded on March 31, 2024, 2023, and 2022 was ₹ 553.48 Lakhs, ₹ 98.22 Lakhs, and ₹ (41.77) Lakhs, respectively. The EBITDA for the same period was ₹1,508.66 Lakhs, ₹ 1,101.46 Lakhs, ₹ 535.09 Lakhs, and ₹296.59 Lakhs for the ten months period ended on January 31, 2025, financial year ended on March 31, 2024, 2023, and 2022, respectively. We have reported Return on Equity of 46.48%, 56.06%, 23.97%, and (23.27) %, along with a total debt to equity ratio of 0.85, 1.70, 6.25, and 8.63, as well as a Return on Capital Employed of 45.12%, 39.54%, 30.95%, and 10.09%, for such period.

Our Mission: “To become one of the leaders of the textile industry and to expand our business globally.”

Our Vision: “To revolutionize the bedding industry with unmatched quality and innovation, creating unparalleled comfort and elegance in every home.”

OUR JOURNEY

➤ **2016: Incorporation of the company.**

Our journey began in 2016 with the incorporation of the company, setting the stage for future production of blankets, bedsheets, and carpets.

➤ **2016: Acquired Land for starting the Factory**

During this time, we also acquired a land in Sonipat, Haryana, to support our growth and development.

➤ **2017: Beginning of the Production.**

We have significantly scaled up our production capacity, by increasing the number plant and machinery in our company.

➤ **2018-2019: Turnover**

Compared to the previous financial year, our company's turnover has surged to approximately 5.5 times its previous amount, reaching an impressive ₹ 66,66,26,088.

➤ **2020: Started with E- Commerce platform**

Ventured into the e-commerce space by launching an online platform dedicated to selling home furnishings on Flipkart.

➤ **2021: Installation of Solar Plant**

Embarked on a successful project to install a 750 KW solar plant, significantly reducing the company's carbon footprint and enhancing our commitment to sustainability.

➤ **2022-23 : Expanded our E-commerce platforms**

Launched an exciting new product line featuring bedsheets, comforters, and curtains and established a strong presence on major e-commerce platforms including Amazon, Ajio, Limeroad, Myntra, Flipkart Walmart and more.

➤ **2023: Conversion of company**

Transitioned to a public company, marking a significant milestone in our growth and expansion.

➤ **2024: Received ISO 9001:2015 Certification**

Certificate of Quality Management System ISO 9001:2015 issued by International Quality Certification Services UK Ltd.

OUR PRODUCTS

We offer a gamut of products which are broadly classified into Blankets, Comforters, Bedsheets and Curtains.

1. MINK BLANKETS:

A Mink blanket is renowned for its exceptional softness, warmth, and durability. Despite the name, these blankets are not made from mink fur. Instead, they are typically crafted from synthetic fibers such as acrylic or polyester. We also design Mink blankets for infants.

| | |
|---|--|
| Single Bed – Single Ply blankets are available in various weights, including 1.3 kg, 1.6 kg, 2 kg, and 2.5 kg | Double Bed – Single Ply blankets are available in various weights, including 1.8kg, 2.5kg, 3kg and 4kg |
| Single Bed – Double Ply blankets are available in various weights, including 2.6kg, 3.2kg, 4kg, and 5kg | Double Bed – Double Ply blankets are available in various weights, including 3.6kg, 5kg, 6kg and 8kg |

Here are some key features and details about mink blankets:

- **Material:** Mink blankets are commonly made from good-quality synthetic fibers, such as acrylic or polyester, which mimic the softness and warmth of real mink fur.
- **Softness:** They are known for their incredibly soft texture, often described as plush or velvety.
- **Warmth:** These blankets provide excellent insulation, making them ideal for cold weather.
- **Long-lasting:** Mink blankets are durable and resistant to wear and tear. They maintain their softness and appearance even after multiple washes.
- **Variety:** Available in a wide range of designs, colors, and patterns, including floral, animal prints, and geometric shapes.
- **Double-sided:** Many mink blankets are double-sided with different designs or patterns on each side.
- **Multiple Sizes:** They come in various sizes, suitable for different bed sizes such as twin, queen, and king.
- **Easy Maintenance:** Typically, they are machine washable, though it is important to follow the care instructions to maintain their quality.



Mink baby blankets can serve the following purposes:

- **Swaddling:** Provides warmth and security to newborns by wrapping them snugly.
- **Tummy Time:** Offers a plush surface for babies to lie on during supervised play.
- **Stroller Cover:** Keeps the baby warm and comfortable during outings.
- **Comfort Blanket:** Can be used as a security blanket to provide comfort and reassurance.



2. COMFORTERS:

A comforter is a type of bedding designed to provide warmth during sleep. Typically, thick, quilted, and fluffy, comforters are filled with materials such as synthetic fibres, down feathers, wool, or other substances. They are renowned for their warmth, softness, and the decorative touch they bring to a bedroom.



Here are some key features and details about comforters:

- **Material:** Usually made from cotton, polyester, or a blend of both for durability and comfort.
- **Filling:** Common fillings include synthetic fibers (polyester), natural down feathers, or wool. Each type offers different levels of warmth, weight, and breathability.
- **Quilting:** The fill is held in place by stitching patterns, preventing it from shifting and clumping. Common quilting patterns include box-stitch, diamond, and channel.
- **Baffle-Box:** Some good-quality comforters feature baffle-box construction, which uses fabric strips to create walls between the top and bottom layers, allowing the fill to expand and create more loft.
- **Sizes:** Comforters come in standard bed sizes, such as Twin, Full/Double, Queen, King, and California King.
- **Variety:** Comforters are available in different weights and warmth levels, suitable for various seasons and personal preferences. Lightweight options are ideal for summer, while heavier ones are better for winter.
- **Reversible:** Some comforters are reversible, offering two different looks in one.
- **Colors and Patterns:** Available in a wide range of colors, patterns, and designs to match any bedroom decor.



Comforters can serve the following purposes:


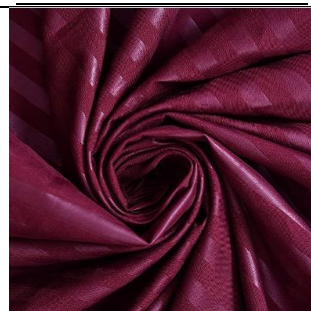
- **Primary Bedding:** Used as the main blanket on the bed for warmth and decoration.
- **Layering:** Can be layered with other blankets or quilts for additional warmth and aesthetic layering.
- **Guest Rooms:** Provides additional comfort to guest beds.



3. **BEDSHEETS:**

A Bedsheet is an essential component of bedding, serving as the fabric layer that directly covers the mattress and provides a clean, soft surface to sleep on. Bedsheets come in various materials, sizes, and styles to cater to different preferences and needs.

Types of Bedsheets:

| Bedsheet Types | Design & Purpose | Pictures |
|-------------------------------------|---|---|
| <i>Fitted Sheets</i> | <p><u>Design:</u> Has elasticated corners that fit snugly over the mattress, preventing the sheet from slipping off.</p> <p><u>Purpose:</u> Provides a secure fit around the mattress, often used as the bottom sheet.</p> |  |
| <i>Flat Sheets</i> | <p><u>Design:</u> A rectangular piece of fabric without elastic, usually placed on top of the fitted sheet and beneath the blanket or comforter.</p> <p><u>Purpose:</u> Acts as a barrier between the sleeper and the blanket, adding an extra layer of comfort and warmth.</p> |  |
| <i>Top Sheets (Optional)</i> | | |

Usage: In some bedding setups, a flat sheet is used as a top sheet, which can be tucked in around the mattress

Benefits of Using Bedsheets:

- **Comfort:** Provides a soft, comfortable surface to sleep on, enhancing the overall sleep experience.
- **Hygiene:** Protects the mattress from sweat, oils, and dirt, contributing to a cleaner sleeping environment.
- **Aesthetic Appeal:** Adds a decorative element to the bedroom, available in various colours, patterns, and styles to match any decor.
- **Temperature Regulation:** Different materials offer varying levels of breathability and warmth, helping regulate body temperature during sleep.

4. CURTAINS:

Curtains are an essential element of interior design, serving both functional and aesthetic purposes in a space. Here's a breakdown of their roles and some key considerations:

Functional Aspects

- **Privacy:** Curtains provide privacy by blocking the view into a room from outside.
- **Light Control:** They allow you to control the amount of natural light entering a room, which can be adjusted by opening, closing, or layering different types of curtains.
- **Temperature Regulation:** Thick, insulated curtains can help maintain a room's temperature by preventing heat loss in winter and reducing heat gain in summer.
- **Noise Reduction:** Heavy Curtains can help dampen sound, providing a quieter environment.



Types of Curtains

- **Sheer Curtains:** Made from lightweight fabrics like voile or lace, they allow light to filter through while providing a degree of privacy.
- **Blackout Curtains:** Designed to block out light completely, ideal for bedrooms or media rooms.
- **Thermal Curtains:** Made with special insulating properties to help regulate room temperature.
- **Decorative Curtains:** Primarily for aesthetic purposes, often used in combination with other types of curtains or blinds.

Our product-wise revenue breakup is as follows:

(₹ In lakhs)

| Product category | For the Ten months period January 31, 2025 | | For the Financial year 2023-24 | | For the Financial year 2022-23 | | For the Financial year 2021-22 | |
|------------------|--|------------------------------------|--------------------------------|------------------------------------|--------------------------------|------------------------------------|--------------------------------|------------------------------------|
| | Revenue | % of total revenue from operations | Revenue | % of total revenue from operations | Revenue | % of total revenue from operations | Revenue | % of total revenue from operations |
| Blankets | 3,450.76 | 32.86% | 4,504.97 | 64.63% | 6,473.04 | 94.76% | 4,492.70 | 89.64% |
| Bedsheets | 0.06 | 0.00% | 2.46 | 0.04% | 0.14 | - | 4.27 | 0.09% |

| | | | | | | | | |
|--|------------------|----------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| | | | | | | | | |
| <i>Comforters</i> | <i>0.53</i> | <i>0.01%</i> | <i>0.66</i> | <i>0.01%</i> | <i>1.75</i> | <i>0.03%</i> | <i>9.88</i> | <i>0.20%</i> |
| <i>Curtains</i> | <i>0.26</i> | <i>0.00%</i> | <i>6.93</i> | <i>0.10%</i> | - | - | - | - |
| <i>Polyester Yarn</i> | <i>24.12</i> | <i>0.23%</i> | <i>56.46</i> | <i>0.81%</i> | <i>3.91</i> | <i>0.06%</i> | <i>502.79</i> | <i>10.03%</i> |
| <i>Satin</i> | <i>1.29</i> | <i>0.01%</i> | <i>4.42</i> | <i>0.06%</i> | - | - | - | - |
| <i>Semi-Finished Goods - (Fabrics)</i> | <i>498.94</i> | <i>4.75%</i> | <i>451.68</i> | <i>6.48%</i> | - | - | - | - |
| <i>Semi finish roll (white cuter roll)</i> | <i>942.36</i> | <i>8.97%</i> | <i>165.61</i> | <i>2.38%</i> | <i>335.86</i> | <i>4.92%</i> | - | - |
| <i>Semi-Finished Goods - (Unstitched Blankets)</i> | <i>2,940.71</i> | <i>28.00%</i> | <i>1,687.98</i> | <i>24.22%</i> | - | - | - | - |
| <i>Others</i> | <i>50.80</i> | <i>0.48%</i> | <i>89.32</i> | <i>1.28%</i> | <i>16.06</i> | - | <i>2.46</i> | - |
| <i>Fabric (60011020)</i> | <i>2,591.32</i> | <i>24.68%</i> | | | | | | |
| Total | 10,501.15 | 100.00% | 6,970.49 | 100.00 | 6,830.76 | 100.00 | 5,012.10 | 100.00 |

Our primary channels for business procurement include:

- Offline Platform:** We actively participate in trade fairs and conferences, where we showcase our products to industry professionals and potential partners.
- Digital Platform:** We offer our products both through our own website and by maintaining a robust presence on leading e-commerce platforms such as Flipkart, Snapdeal, Ajo, Walmart, and Meesho, where we operate through organized marketplaces.
 - We engage with a diverse clientele through these e-commerce platforms, catering to business-to-consumer (B2C) segments.

Our website is strategically optimized to attract visitors searching for our products on various search engines, reflecting our strong online visibility and customer reach. Our website is www.silkyoverseas.com.

Online and Offline Bifurcation of sales is as below:

(₹ in Lakhs)

| Particulars | For the Ten months period ended | | For the Financial Year ended | | | | | |
|--------------|---------------------------------|----------------|------------------------------|---------------|-----------------|---------------|-----------------|---------------|
| | January 31, 2025 | | March 31, 2024 | | March 31, 2023 | | March 31, 2022 | |
| | Revenue | In % | Revenue | In % | Revenue | In % | Revenue | In % |
| Online | 185.01 | 1.76% | 271.41 | 3.89 | 384.84 | 5.63 | 172.91 | 3.45 |
| Offline | 10,316.15 | 98.24% | 6,699.08 | 96.11 | 6,445.92 | 94.37 | 4,839.19 | 96.55 |
| Total | 10,501.15 | 100.00% | 6,970.49 | 100.00 | 6,830.76 | 100.00 | 5,012.10 | 100.00 |

Our products which are sold on a frequent basis:

| Our products which are sold on a frequent basis | | | | | | |
|---|--------------|----------|------------------|--------------|--------------|--------------|
| Sr. No | Product Name | Category | January 31, 2025 | 2021-22 | 2022-23 | 2023-24 |
| | | | | (Total PCS.) | (Total PCS.) | (Total PCS.) |

| | | | | | | |
|----|------------------------|---------|----------|----------|----------|----------|
| 1. | Rian 1.6 Kg single bed | Blanket | 1,81,659 | 2,00,806 | 2,37,695 | 1,33,468 |
| 2. | Rian 2 Kg single bed | Blanket | 1,32,205 | 1,09,079 | 1,52,772 | 1,33,250 |
| 3. | Rian 2.5 Kg double bed | Blanket | 1,29,338 | 9,653 | 45,570 | 54,444 |
| 4. | Rian 5 Kg double bed | Blanket | 40,912 | 38,562 | 57,849 | 36,453 |
| 5. | Rian 1.3 Kg single bed | Blanket | 44,749 | 1,52,309 | 2,15,960 | 1,20,606 |

KEY PERFORMANCE INDICATORS OF OUR COMPANY

(₹ in Lakhs)

| Key Financial Performance | Ten months period ended January 31, 2025 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|--|--|------------|------------|------------|
| Revenue from operations ⁽¹⁾ | 10,501.15 | 6,970.49 | 6,830.76 | 5,012.10 |
| EBITDA ⁽²⁾ | 1,508.34 | 1,101.46 | 535.09 | 296.59 |
| EBITDA Margin ⁽³⁾ % | 14.36 | 15.80 | 7.83 | 5.92 |
| PAT | 917.07 | 553.48 | 98.22 | (41.77) |
| PAT Margin ⁽⁴⁾ % | 8.73 | 7.94 | 1.44 | (0.83) |
| Net worth ⁽⁵⁾ | 2,431.08 | 1,514.02 | 460.54 | 359.07 |
| RoE % ⁽⁶⁾ | 37.72 | 36.56 | 21.33 | (11.63) |
| RoCE% ⁽⁷⁾ | 45.12 | 39.54 | 30.95 | 10.09 |

Notes:

⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Finance Costs - Other Income

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

⁽⁵⁾ Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings.

OUR CLIENTELE

We supply our products to discounted retail outlets and we have established trust and long-standing relations with these outlets.

Following are the financial details of our top 5 and top 10 customers of Total Sales:

(₹ In lakhs)

| Particulars | For the ten months period ended | | For the Financial Year ended | | | | | |
|-----------------|---------------------------------|-------|------------------------------|-------|----------------|-------|----------------|-------|
| | January 31, 2025 | | March 31, 2024 | | March 31, 2023 | | March 31, 2022 | |
| | Revenue | In %* | Revenue | In %* | Revenue | In %* | Revenue | In %* |
| Top 1 Customer | 1,982.64 | 18.78 | 955.33 | 13.71 | 1,455.52 | 21.31 | 1,046.80 | 20.89 |
| Top 3 Customer | 4,431.57 | 41.99 | 2,254.68 | 32.35 | 3,144.11 | 46.03 | 1,764.07 | 35.20 |
| Top 5 Customer | 6,044.51 | 57.27 | 3,334.37 | 47.84 | 3,559.51 | 56.50 | 2,250.09 | 44.89 |
| Top 10 Customer | 7,699.58 | 72.95 | 4,688.32 | 67.26 | 4,914.81 | 71.95 | 3,069.96 | 61.25 |

*The % is arrived by dividing it by total revenue from operations.

Top 10 Customers for ten months period ended on January 31, 2025

| Customer name | Nature of Business | Revenue (₹ In lakhs) | Revenue in % |
|---------------|--------------------------------|----------------------|--------------|
| Customer 1 | Sale of Unstitched Blanket | 1,982.64 | 18.78 |
| Customer 2 | Sale of Unstitched Blanket | 1,275.80 | 12.09 |
| Customer 3 | Sale of Fabrics | 1,173.13 | 11.12 |
| Customer 4 | Sale of window blinds material | 942.36 | 8.93 |

| | | | |
|-------------|-----------------------------|--------|------|
| Customer 5 | Sale of Fabrics | 670.59 | 6.35 |
| Customer 6 | Sale of Semi-finished Goods | 562.79 | 5.33 |
| Customer 7 | Sale of Blanket | 315.62 | 2.99 |
| Customer 8 | Sale of Blanket | 303.58 | 2.88 |
| Customer 9 | Sale of Blanket | 246.83 | 2.34 |
| Customer 10 | Sale of Blanket | 226.25 | 2.14 |

Top 10 Customers for FY 2023-24

| Customer name | Nature of Business | Revenue (₹ In lakhs) | Revenue in % |
|---------------|---------------------------------------|-------------------------|--------------|
| Customer 1 | Exporter- Buyer of Semi Finish Goods. | 955.33 | 13.71 |
| Customer 2 | Distributor of Blankets | 677.47 | 9.72 |
| Customer 3 | Exporter- Buyer of Semi Finish Goods. | 621.89 | 8.92 |
| Customer 4 | Distributor of Blankets | 594.34 | 8.53 |
| Customer 5 | Distributor of Blankets | 485.34 | 6.96 |
| Customer 6 | Distributor of Blankets | 467.93 | 6.71 |
| Customer 7 | Online Marketplace | 271.41 | 3.89 |
| Customer 8 | Exporter- Buyer of Semi Finish Goods. | 232.42 | 3.33 |
| Customer 9 | Exporter- Buyer of Semi Finish Goods. | 215.41 | 3.09 |
| Customer 10 | Distributor of Blankets | 166.78 | 2.39 |

Top 10 Customers for FY 2022-23

| Customer name | Nature of Business | Revenue (₹ In lakhs) | Revenue in % |
|---------------|---------------------------------------|-------------------------|--------------|
| Customer 1 | Distributor of Blankets | 1,455.52 | 21.31 |
| Customer 2 | Distributor of Blankets | 1,235.02 | 18.08 |
| Customer 3 | Distributor of Blankets | 453.57 | 6.64 |
| Customer 4 | Distributor of Blankets | 397.78 | 5.82 |
| Customer 5 | Exporter- Buyer of Semi Finish Goods. | 317.62 | 4.65 |
| Customer 6 | Distributor of Blankets | 314.65 | 4.61 |
| Customer 7 | Distributor of Blankets | 253.94 | 3.72 |
| Customer 8 | Distributor of Blankets | 252.16 | 3.69 |
| Customer 9 | Distributor of Blankets | 118.13 | 1.73 |
| Customer 10 | Distributor of Blankets | 116.42 | 1.70 |

Top 10 Customers for FY 2021-22

| Customer name | Nature of Business | Revenue (₹ In lakhs) | Revenue in % |
|---------------|-------------------------|-------------------------|--------------|
| Customer 1 | Distributor of Blankets | 1,046.80 | 20.89 |
| Customer 2 | Distributor of Blankets | 444.70 | 8.87 |
| Customer 3 | Distributor of Blankets | 272.57 | 5.44 |
| Customer 4 | Distributor of Blankets | 261.14 | 5.21 |
| Customer 5 | Distributor of Blankets | 224.87 | 4.49 |
| Customer 6 | Distributor of Blankets | 189.51 | 3.78 |
| Customer 7 | Distributor of Blankets | 178.25 | 3.56 |
| Customer 8 | Distributor of Blankets | 165.09 | 3.29 |
| Customer 9 | Distributor of Blankets | 161.36 | 3.22 |
| Customer 10 | Distributor of Blankets | 125.66 | 2.51 |

Following are the financial details of our top 5 and top 10 suppliers of Total Purchases:

(₹ In lakhs)

| Particulars | For the Ten months period ended | | For the Financial Year ended | | | | | |
|-----------------------|---------------------------------|-------|------------------------------|-------|----------------|-------|----------------|-------|
| | January 31, 2025 | | March 31, 2024 | | March 31, 2023 | | March 31, 2022 | |
| | Revenue | In % | Revenue | In % | Revenue | In % | Revenue | In % |
| Top 1 Supplier | 1,353.16 | 16.90 | 1675.18 | 32.48 | 1603.75 | 30.51 | 1464.58 | 34.39 |
| Top 3 Supplier | 3,903.22 | 48.76 | 3150.20 | 61.08 | 3218.48 | 61.23 | 2800.89 | 65.96 |

| | | | | | | | | |
|------------------------|----------|-------|---------|-------|---------|-------|---------|-------|
| Top 5 Supplier | 5,833.64 | 72.88 | 3753.58 | 72.78 | 3875.93 | 73.74 | 3265.14 | 76.90 |
| Top 10 Supplier | 7,445.05 | 93.01 | 4487.24 | 87.00 | 4495.09 | 85.52 | 3709.21 | 87.35 |

Our State-wise Revenue Bifurcation is as follow:

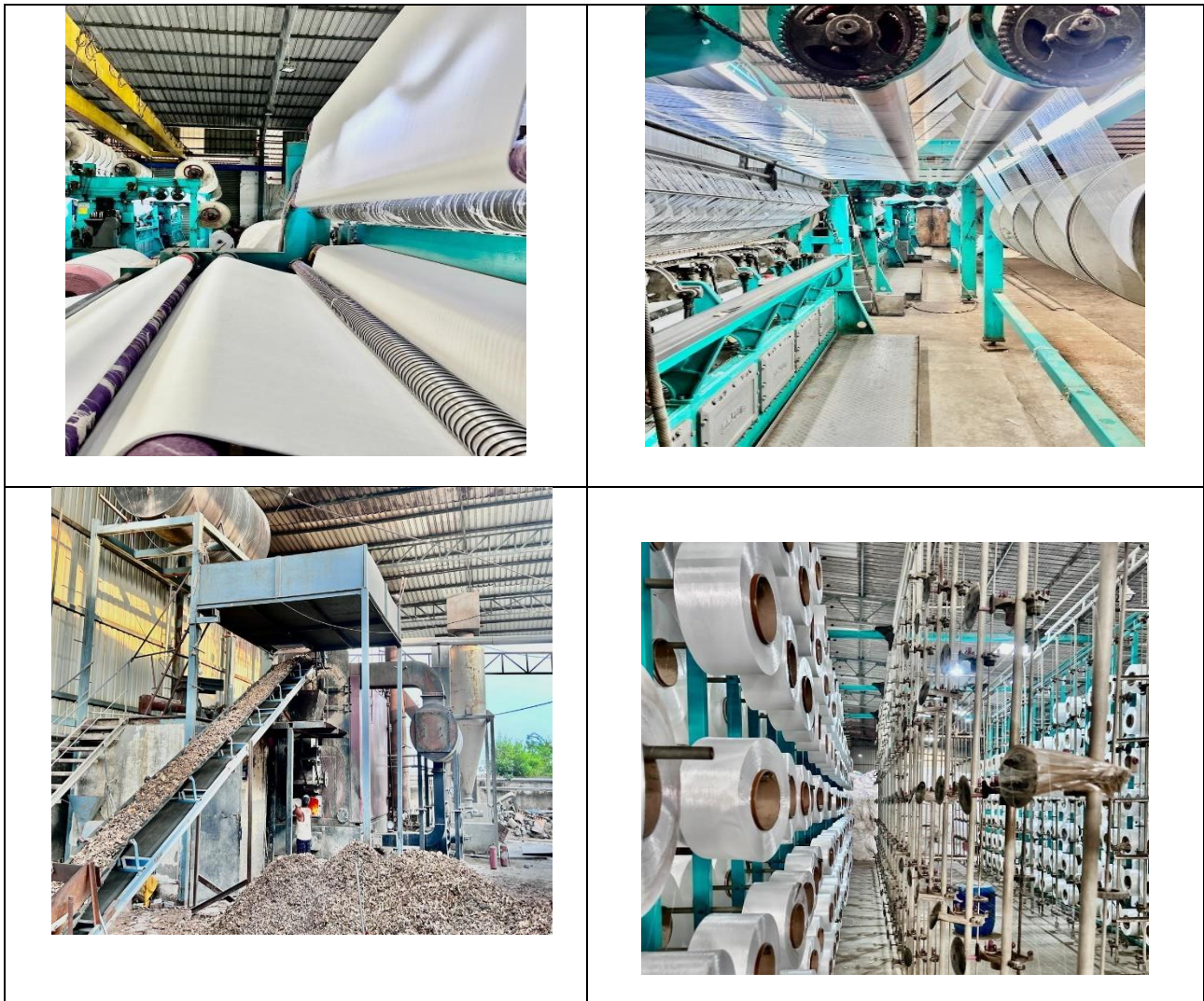
(₹ In lakhs)

| State-wise Bifurcation | For the ten months period ended | For the Financial Year ended | | |
|--|------------------------------------|------------------------------|-------------------|-------------------|
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| A. Domestic Sales | | | | |
| Haryana | 8,795.63 | 5,855.82 | 5,894.57 | 4,073.62 |
| Punjab | 296.98 | 300.50 | 214.34 | 415.84 |
| Delhi | 995.29 | 193.83 | 245.21 | 179.21 |
| Rajasthan | 130.49 | 167.97 | 79.91 | 87.99 |
| Chhattisgarh | 11.39 | 12.92 | 28.10 | 74.42 |
| Assam | 26.22 | 31.93 | 33.78 | 64.93 |
| West Bengal | 21.24 | 53.97 | 36.85 | 48.35 |
| Himachal Pradesh | 15.16 | 22.73 | 5.44 | 23.22 |
| Uttar Pradesh | 64.80 | 121.11 | 179.60 | 20.42 |
| Bihar | 18.99 | 64.29 | 18.88 | 9.30 |
| Madhya Pradesh | 11.88 | 7.82 | 6.31 | 6.93 |
| Gujarat | 5.57 | 15.00 | 4.99 | 3.22 |
| Mizoram | 0.31 | 1.59 | 0.60 | 2.86 |
| Uttarakhand | 3.26 | 3.08 | 2.40 | 1.60 |
| Maharashtra | 9.19 | 12.51 | 11.81 | 0.13 |
| Jharkhand | 5.10 | 11.52 | 4.15 | 0.04 |
| Jammu and Kashmir | 8.44 | 8.95 | 11.75 | - |
| Chandigarh | 2.89 | 0.63 | 0.28 | - |
| Karnataka | 13.87 | 17.03 | 14.97 | - |
| Tamil Nadu | 10.44 | 13.33 | 9.38 | - |
| Kerala | 6.18 | 8.13 | 6.62 | - |
| Telangana | 4.96 | 7.84 | 5.74 | - |
| Andhra Pradesh | 5.59 | 7.88 | 3.35 | - |
| Arunachal Pradesh | 1.23 | 1.92 | 1.12 | - |
| Dadra and Nagar Haveli and Daman and Diu | 0.10 | 0.13 | 0.14 | - |
| Goa | 0.87 | 1.41 | -2.51 | - |
| Ladakh | - | 0.00 | 0.14 | - |
| Manipur | 0.05 | 0.13 | 0.52 | - |
| Meghalaya | 1.55 | 2.99 | 1.62 | - |
| Nagaland | 0.53 | 0.88 | 0.41 | - |
| Odisha | 15.59 | 18.35 | 7.26 | - |
| Puducherry | 0.19 | 0.22 | 0.18 | - |
| Sikkim | 0.67 | 1.35 | 0.95 | - |
| Tripura | 1.07 | 2.71 | 1.90 | - |
| Andaman and Nicobar | 0.02 | - | - | - |
| B. Export Sales | | | | |
| United Arab Emirates (UAE) | 15.42 | - | - | - |
| Total | 10,501.15 | 6970.50 | 6830.76 | 5,012.10 |

MANUFACTURING UNIT

We operate out of our manufacturing operations located at Village Jawahara, Pardhana Road, Tehsil Khanpur, Kalan, District Sonipat-131305. Our manufacturing unit is strategically located with the availability of transportation, which facilitates convenient transportation of our products. Our Unit is supported by an infrastructure for the storage of raw materials, manufacturing of our products, and storage of finished goods, together with quality control.

| | |
|--|--|
| | |
|--|--|



PROCUREMENT AND PROCESSING METHOD

We have the following products namely, blankets, baby blankets, comforters, bedsheets, and curtains. The process of blankets, baby blankets, comforters, bedsheets, and curtains are processed at our units, and other products are just

procured readily and sold after the process of thread cutting, final quality check, and packaging by us.



1 - Warping

Fully automated high-speed warpers that process 500+ individual threads and roll them into beams. Fully automated machines have the capability to sense even a single yarn breakage while running at a speed of 1000mtr/min, allowing the operator to spot exact fault and thus prevent any faults during blanket knitting.

2 - Knitting

Our fully automated high-speed warp knitting machine processes 10,000+ yarn threads at once. The machine is controlled by fully automated servo motors that ensure that proper synchronisation is maintained throughout these threads. The machine can sense even 1 breakage from these 10000+ yarn threads, to ensure that the blanket being knitted is flawless and feels as soft as the cloud.

3 - Pre-finishing

This stage comprises a highly sophisticated line of polisher and brushing machines. Processing the blanket at a temperature of 150+ degrees the stenter provides stability to lose blanket fabric that one needs for a seamless fall on bed. The brushing machine uses imported Japanese fillets that brush the fabric pile at high speed, opening up the yarn so that it caresses the skin upon touch. Each polisher processes the fabric at a temperature of 200+ degrees and the polishing cylinder's tangential touch ensures that the blanket shine would be enough to uplift your entire room

4 - Printing

No matter how shiny and soft the fabric, it acquires a personality only after being printed on a fully automated printing line. The Sophistry of the printing machine is supported by state-of-the-art in-house high-definition screen manufacturing machines. These two combines to impart even a fabric the sharpness that is otherwise only possible in digital prints

5 - Washing

Comprising multiple chambers, the fabric goes through the machine via multiple baths of different kinds - warm, cold, etc. This ensures that any chemicals of manufacturing are completely removed and what comes out is a blanket that is as close to a natural fabric as possible from a man-made fibre

6 - Final Finishing

This process is almost similar but even more sophisticated than the pre-finishing, except here the shearing machine is added. The shearing machine uses German precision blades to ensure the file of fabric is completely uniform. It is akin to using a robot to precision trim any inconsistencies in the fabric, thus making the blanket even more refined to touch

7 - Stitching & Inspection

After the final finishing, trained operators cut and sew the fabric into individual blankets. But not before a final check – this time manually done by experienced hands and focused eyes - so that only the finest goes into your bedroom.

The nature and type of raw material used by the Company for its operations along with the geographic source
(₹ in lakhs)

| Type of Raw Material | Nature of Raw Material | Geographic Source | For the ten months period ended on | Financial year ended on | | |
|------------------------------------|--|------------------------------------|------------------------------------|-------------------------|----------|----------|
| | | | January 31, 2025 | March-24 | March-23 | March-22 |
| Yarn | Synthetic filament yarn made from | Haryana | 34.49 | 3,651.09 | 3,875.66 | 2,641.12 |
| | | Delhi | 516.28 | 363.24 | 474.09 | - |
| | | Dadra & Nagar Haveli & Daman & Diu | - | - | 163.51 | 448.37 |
| Polyester Warp Knit Piping Fabrics | Knitted or crocheted fabrics | Haryana | 122.57 | 209.92 | 250.34 | 180.82 |
| Polyester Yarn Cone | Yarn (other than sewing thread) of man made staple fibre | Haryana | 5.35 | 8.76 | 13.14 | 11.89 |

SAFETY, QUALITY CONTROL AND CERTIFICATIONS

We have built a robust network of suppliers and established strategic partnerships to ensure that we source better quality materials for our products. Quality sourcing begins with a rigorous supplier selection process. We carefully evaluate potential suppliers based on their track record, quality management systems, production capabilities, and adherence to ethical and sustainability standards. By partnering with reliable and reputable suppliers, we can maintain consistent quality standards throughout our supply chain.

Furthermore, we have established a comprehensive quality control process.

- **Specifications:** Define quality standards and requirements
- **Planning:** Create a quality control plan
- **Production:** Monitor processes during manufacturing
- **Inspection:** Regularly review products against benchmarks
- **Service Delivery:** Ensure quality during customer interactions
- **Monitoring:** Continuously assess quality
- **Improvement:** Use feedback to enhance processes



Environment, Health and Safety

We believe environmental, health, and safety (EHS) practices are crucial to our business. We comply with environmental regulations, reduce waste, and adopt sustainable practices so as to monitor air and water quality, manage energy usage, and minimize environmental impact.

This system helps improve safety, comply with regulations, and enhance overall performance.

Our operations are bound by environmental laws and diverse regulations that oversee, among other aspects, the storage and handling of both raw materials and finished goods. *For further information, please refer to the chapter titled “Key Industry Regulations and Policies” beginning on the page 151 of this Red Herring Prospectus.* We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

Certifications:

| | | | |
|-----------------------------------|---|--|---|
| Particulars /Description | Certificate was conducted in accordance with UK Accrediting Certification Limited for Quality Management System ISO 9001:2015 |  |  |
| Certificate / Registration Number | 24ZKAG1614Q | | |
| Date of Registration | June 14, 2024 | | |
| Validity/ Status | 1 st Surveillance: June 13, 2025 2 nd Surveillance: June 13, 2026 | | |

OUR COMPETITIVE STRENGTHS

1. Purchase of higher quality thread count fabric at a lower price

Fine lines begin with higher thread count, to get higher thread count one requires high-quality of cotton that depends on the length of the individual fibers. High thread count bedding is used in all Western countries as it is the status symbol for the rich, as the higher the count the better the fabric. By procuring surplus or slightly imperfect fabric in bulk from our suppliers, we benefit from advantageous pricing, allowing us to acquire these materials at a reduced cost. This strategic sourcing enables us to offer modified and customized products to our customers at discounted prices. Our ability to obtain these fabrics at a lower expense translates into significant cost savings, which we pass on to our customers, ensuring that they can enjoy high-quality, tailor-made products at affordable rates.

2. Experienced promoters and a dedicated employee base

Our promoter’s experience in the textile sector has allowed us to quickly respond to market developments by identifying emerging trends and adapting our product offerings accordingly. Through their extensive industry experience and wide network of contacts, our promoters have been able to identify and pursue our customers. This has allowed us to expand our operational capacities by leveraging the resources and expertise of other organizations.

3. Infrastructure and Integrated capabilities to deliver quality products

To cater to the growing demand from our existing customers and to meet the requirements of new customers, we intend to invest in the embroidery machines, which will help to improve the efficiency and the quality of work. We believe in providing quality products to our customers. We are devoted to quality assurance. We believe that our quality products have earned us goodwill from our customers, which has resulted in customer retention and order repetition and also a new addition to the customer base. We provide products with competitive rates.

4. Strong Logistics Chain

We recognize the significance of a strong logistics chain to ensure efficient and timely delivery of our products. To strengthen our logistics capabilities, we have strategically partnered with freight providers to streamline the logistics process. These providers receive the product from our premises and respond swiftly to customer demands.

We remain committed to continually investing in and improving our logistics capabilities, as we recognize that a strong logistics chain is essential for our business success. We understand the importance of a strong logistics chain in meeting customer expectations, and we strive to continually enhance our capabilities to deliver products on time and in excellent condition

5. We have good storage for Inventory Management

We have a storage area for surplus or slightly imperfect fabric and finished goods. We store the fabrics as per the different grades and quality in order to optimize the inventory. There is a daily stock report of both surplus or slightly imperfect fabric and finished goods that indicates the inventory levels and any deviation from minimum stock levels is flagged for action. Care is taken to strictly follow the inventory levels and balance them with market trends and customer requirements.

OUR BUSINESS STRATEGY

1. Identifying Target Market

In our business, we conduct thorough research to pinpoint specific target markets that align closely with our products or services. By identifying these markets with precision, we adapt our strategies effectively to address the unique needs and preferences of potential customers within those segments. “We Have In-house sales team who takes care of identifying the target market. The management along with this sales team strategies to convert leads. into opportunity.

2. Continue improving financial performance through a focus on operational and functional efficiencies

Optimization and reduction of costs remain our key focus area, and we continue to work towards attaining cost efficiencies, whether it be in supply chain management or during the production process. Our core team also focuses on the refinement of our manufacturing processes, aimed at improved yield and efficiency, by optimizing and modifications of various parameters. We also propose to develop eco-friendly and cost-effective production processes. We are also focused on improving our cost efficiency by optimizing the effective sourcing of raw materials, which we have ensured, as a business strategy, over the last several years. We have received appreciation letter from solidaridad regional expertise Center which indicates that we as company is align with the requirement of social responsibilities.

3. Continue to add to product portfolio by introducing new products

Our Company’s strategy is focused on introducing new product to cater to the requirements of our customers as well as garnering the attention of more customers. Our company started its business with only one Product that is Blanket Manufacturing and trading & gradually we added multiple products like bedsheet, curtains, comforters etc, in our product portfolio. Adding new product not only helps in strengthening the relationship with the existing customer network through a wide range of products but also onboarding new customers from untapped geographies. Identifying and developing new products is a continuous exercise that our management team engages into as that there is an immense demand in the global markets for unique designs, good quality and competitively priced products.

4. Improving & maintaining functional efficiencies

Our company is focused on enhancing operational efficiencies to drive cost reductions and gain a competitive advantage over industry peers & have also received certificate of appreciation from solidaridad Regional Expertise Centre which acknowledges our positive approach and commitment for successful implementation of various processes and procedure to meet the required goals.

To maintain functional efficiencies, our Company has implemented a comprehensive flow chart of activities to ensure that no steps are overlooked. This approach facilitates smooth execution of tasks with minimal errors and confusion.

Further, we aim to achieve this through economies of scale and fostering repeat purchases from our customers. By expanding into new regions by entering in online market segment and offering an extended product range from blanket to home decor, we will tap into additional markets and optimize our existing infrastructure. These initiatives will allow us to increase both market share and profitability.

5. Order Success

We focus on converting leads into customers, with a strong emphasis on securing the initial order. Our seamless coordination between sales, production, and logistics teams ensures timely fulfilment, guaranteeing customer satisfaction and fostering long-term relationships.

6. Key Customer Relationship Building

We identify and nurture key customers who provide substantial revenue and strategic value, prioritizing their needs and satisfaction. The majority of our top 10 customers are repetitive in nature. This can authenticate that we are strongly working on building strong relationships with our clients by building strong relationships with these clients, we ensure mutual growth and solidify our position as a partner in their success.

SWOT ANALYSIS OF OUR COMPANY

| STRENGTHS | WEAKNESSES |
|---|---|
| <ul style="list-style-type: none"> ● Integrated Manufacturing Process: Complete control over knitting, dyeing, processing, printing, and packaging ensures quality and efficiency. ● Diverse Product Portfolio: Extensive range of bedding essentials, catering to various customer needs. ● ISO 9001:2015 Certification: Demonstrates commitment to quality management and continuous improvement. ● Strong Online and Offline Presence: Active e-commerce presence and active participation in trade fairs enhance market reach. ● Strategic Location: Based in Delhi with a processing facility in Sonipat, enabling effective logistics and distribution. | <ul style="list-style-type: none"> ● Dependency on Major Customers: Efforts are being made to diversify, but reliance on key customers remains a challenge. For reference, please refer to risk factor no. 4 and 38 ● Financial Resources for Expansion: Significant financial investment required for both domestic and international operations. For reference, Please refer to risk factor no. 36, 38, 42. ● Limited Market Share in New Segments: Recent diversification into new products like bedsheets and curtains requires time to establish market presence. For reference, please refer to risk factor no. 38 |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none"> ● Growing E-commerce Market: Expanding online sales channels and leveraging e-commerce growth in India. ● Product Diversification: Expanding product portfolio to include more bedding essentials and home decor items. ● Increased Domestic Market Penetration: Expanding sales network to new states and regions within India. ● International Expansion: Leveraging the global network to enter new markets outside India. | <ul style="list-style-type: none"> ● Regulatory Changes: Potential changes in government policies and regulations could impact operations. For reference, please refer to risk factor no 24 and 29. ● Supply Chain Disruptions: Dependency on suppliers and potential disruptions can affect production and delivery. For reference, please refer to risk factor no 3, 6, 8 and 29 ● Intense Competition: The bedding and home decor market is highly competitive, with numerous established players. For reference, please refer to risk factor no 38 and 35 ● Economic Fluctuations: Economic instability can affect consumer purchasing power and demand for non-essential items. For reference, please refer to risk factor no 41 |

MARKETING STRATEGY

Our company's broad network enables us to build strong commercial relationships with a diverse clientele, positioning us for growth in the home textile industry across India. With a focus on sustainability, our mission is centered on promoting the well-being of our customers.

For our market expansion, we are strategically enhancing our retail marketing efforts. Additionally, we actively participate in key trade fairs and conferences within India, showcasing a diverse range of fabric samples and styles to connect directly with buyers and secure new business opportunities.

INFRASTRUCTURE FACILITIES FOR UTILITIES LIKE ELECTRICITY WATER & POWER

Infrastructure Facilities

Our Company's registered office is located at F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India. Further, our processing facility (Factory) is located at Khasra no. 17//17/2, 18, 19/1, 22/2, 23, 24/1, 36//2/2, 3, 4/1/1, Village- Jawahara, Pardhana Road, Tehsil-Khanpur, District- Sonipat, India.

Our office is well equipped with requisite facilities, infrastructure facilities, computer systems, servers and other communication equipment, uninterrupted power supply, internet connectivity, and other processing facility, which are required for our business operations to function smoothly.

The total area of the storage facility utilized for storing raw materials over the past three financial years is provided in the table below:

| Year | Length | Width | Total Area |
|------------------|--------|---------|---------------|
| January 31, 2025 | 70 Ft. | 150 Ft. | 10500 Sq. Ft. |
| 2023-24 | 70 Ft. | 150 Ft. | 10500 Sq. Ft. |
| 2022-23 | 70 Ft. | 150 Ft. | 10500 Sq. Ft. |
| 2021-22 | 70 Ft. | 150 Ft. | 10500 Sq. Ft. |

Power & electricity

Our Company's registered office sources its power from Tata Power Delhi Distribution Limited and the power needs of our processing facility are met through Uttar Haryana Bijli Vitran Nigam Limited and the same is sufficient for our day-to-day functioning.

The company has also installed a 750KW solar power plant at its factory located at Khasra No. 17//17/2, 18, 19/1, 22/2, 23, 24/1, 36//2/2, 3, 4/1/1, in Village Jawahara, Pardhana Road, Tehsil Khanpur, District Sonipat, India. The plant has a total annual capacity of 1,051,200 units, contributing to our energy needs in an environmentally friendly manner. Installing solar panels will help generate our own electricity from sunlight, reducing our reliance on fossil fuels and decreasing greenhouse gas emissions. This shift to renewable energy helps lower our carbon footprint, promoting environmental sustainability. Additionally, using solar power can lead to cost savings on energy bills over time.

The power produced by the Company's solar power plant for the last 3 financial years and the amount of power utilized by the Company for its operations is as mentioned below:

| Particulars | Ten months period ended on January 31, 2025 | FY 2023-24 | FY 2022-23 |
|--------------------------|---|-----------------|-----------------|
| Total Capacity | 10,51,200 units | 10,51,200 units | 10,51,200 units |
| The amount of power used | 6,85,120 units | 7,84,800 units | 9,64,320 units |

Water

Our registered office and processing facility have adequate water supply arrangements for human consumption purposes. The requirements are fully met at our existing premises.

Information technology

The Company owns & uses BUSY Accounting Software. BUSY is an integrated billing and accounting software for micro, small & medium enterprises. In addition, we have also purchased leadchain RDP which is to manage sharing of server resources among remote users without compromising the security and performance of server. Leadchain Remote allows multiple users to login simultaneously on server and provides faster access to remote applications even on slow networks like mobile internet. Further, Company has adequate protection against data virus.

MATERIAL CONTRACT

As on date of filing this Red Herring Prospectus there are no material contracts.

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our company looks for specific skill-sets, interests and background that would be an asset for our business.

We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees and we consider our relationship with our employees to be good. All the employees who are employed in their respective departments work with integrity to make sure the operation the company has fulfilled and the targets the company has set are achieved.

The detailed break-up of our employees as on May 31, 2025 is as under:

| Department | No of Employees |
|----------------------------|-----------------|
| Account Department | 3 |
| Staff | 10 |
| Human Resources Department | 1 |
| Raschal Department | 54 |
| Printing Department | 16 |
| Washing Department | 1 |
| House Keeping Department | 1 |
| Sales Department | 3 |
| Online Helper | 1 |
| Maintenance | 3 |
| Electrician | 3 |
| Loading | 6 |
| Dispatch | 1 |
| Boiler | 2 |
| Finishing | 30 |
| TOTAL | 135 |

| Designation | No of Persons Employed |
|------------------|------------------------|
| Skilled Labors | 25 |
| Unskilled Labors | 110 |
| Total | 135 |

“The attrition rate in our Company for the year 2021-22, 2022-23 & 2023-24 is 2.31%, 2.13% & 2.37% respectively. Further, our Company has not recently experienced any departures among senior management or Key Managerial Personnel (KMP)”

COMPETITION

The market for our products is quite competitive, with a mix of both established players and numerous unorganized providers offering similar products. In our local vicinity, we face significant competition from well-established companies that produce comparable products. Additionally, we contend with various agencies that deliver the same products as we do, utilizing both online and offline channels and often incorporating different innovations into their offerings. This dynamic environment creates a constant flow of competition, with fluctuating demand and supply conditions. We must continuously adapt to these market challenges to maintain our competitive edge and meet the evolving needs of our customers.

COLLABORATIONS




There are no collaborations as on date of filing this Red Herring Prospectus.

PLANT & MACHINERY





To maintain the quality of our product, we have installed quality equipment at our factory premises. All the equipment installed at our factory are owned by the Company.

| Sr. No. | Name of Equipment | Quantity | Pictures & Description |
|---------|-------------------|----------|------------------------|
|---------|-------------------|----------|------------------------|



| | | | | |
|---|---|----|--|--|
| 1 | Computer Control High-Speed Warping Machine | 04 |  | <p>A warping machine is a machine used in the textile industry to prepare the longitudinal threads (warp) for threading. The warping machine is responsible for winding the yarn onto a warp beam, sizing the yarn, and arranging the threads in the proper configuration for use on a loom.</p> |
| 2 | Double Needle Bar Warp Knitting Machine | 16 |  | <p>A double needle bar warp knitting machine is a specialized piece of textile machinery used for producing knitted fabrics with two sets of needle bars. This type of machine is capable of creating more complex and varied patterns compared to single needle bar machines.</p> |
| 3 | Profile Slitting / Cutting Machine | 01 |  | <p>These machines are designed to cut wide rolls of material into narrower strips. They use rotary blades or knives to slit the material.</p> <p>Advanced machines often feature automated feeding, cutting, and stacking systems to enhance efficiency and precision.</p> |
| 4 | Single Roller Twin Polishing Machine | 05 |  | <p>A Single Roller Twin Touch Polishing Machine is a specialized equipment used for polishing and finishing the blanket fabric. It typically incorporates advanced technology to achieve high-quality surface finishes with precision. Here's a closer look at this type of machine:</p> |

| | | | | |
|---|---|----|--|--|
| 5 | Brushing Machine with 4 Rollers | 04 |  | In blanket manufacturing, a 4-roller brushing machine is used to process the fabric or material to achieve specific qualities like surface texture, pile formation, or fibre orientation. This type of brushing machine is particularly useful for textiles and can significantly impact the final product's quality and feel. |
| 6 | High-Speed Double Rollers Two Touch Polishing Machine | 02 |  | In blanket manufacturing, a High-Speed Double Rollers Two Touch Polishing Machine is used to achieve high-quality finishes and enhance the texture of fabrics. This type of machine is designed for efficient and precise polishing, which is crucial for creating a soft, smooth, and aesthetically pleasing final product. |
| 7 | PLC Controlled Fully Automatic Flat Bed Screen Printing Machine | 01 |  | A PLC Controlled Fully Automatic Flat Bed Screen Printing Machine designed for blanket manufacturing is a sophisticated piece of equipment used to apply designs, patterns, or logos onto blanket fabrics with high precision and efficiency. |
| 8 | PAD Dyeing Machine | 01 |  | A PAD Dyeing Machine is a specialized piece of equipment used in the textile industry for the continuous dyeing of fabrics. This type of machine is known for its efficiency in applying dyes and achieving uniform color distribution on various types of textiles. |

| | | | |
|----|--|----|---|
| 9 | High-Temperature Steaming Pot Model WZG-A (AGER) | 01 |  <p>The High-Temperature Steaming Pot Model WZG-A (AGER) is a specialized piece of equipment used in the textile and blanket manufacturing industries for processes that require high-temperature steam. This model is designed for applications that need precise temperature control and effective steaming to ensure quality results in fabric processing.</p> |
| 10 | Industrial Washing Machine | 02 |  <p>In blanket manufacturing, an industrial washing machine is used to clean, pre-treat, and finish fabrics before they are made into blankets. These machines are designed to handle large volumes of textiles efficiently and effectively, ensuring that the final products meet quality standards.</p> |
| 11 | Dryer Machine | 01 |  <p>In blanket manufacturing, a dryer machine is essential for efficiently drying large volumes of fabric after washing, dyeing, or finishing processes. These machines are designed to handle the unique requirements of textile drying, including the need for gentle handling of fabrics, uniform heat distribution, and high throughput.</p> |
| 12 | High-Efficient Raising Machine | 03 |  <p>A high-efficiency raising machine in blanket manufacturing is designed to enhance the texture and feel of fabrics by raising the fibers to create a soft, plush surface. This process is commonly referred to as "raising" or "napping," and it is critical for producing high-quality, comfortable blankets.</p> |

| | | | |
|----|---|----|---|
| 13 | Combined Polishing and Shearing Machine | 03 |  <p>A combined polishing and shearing machine in blanket manufacturing is a versatile piece of equipment designed to simultaneously perform two essential functions: polishing and shearing the fabric. This dual-function machine enhances the final texture and appearance of the blankets, contributing to their overall quality and appeal.</p> |
| 14 | Sigmatex Mink Blanket Embossing Machine | 01 |  <p>An embossing machine for mink blankets is specialized equipment used to create textured patterns or designs on the fabric surface. This process adds visual and tactile appeal to mink blankets, enhancing their luxury and aesthetic value.</p> |
| 15 | Stitching Machine | 10 |  <p>In the manufacturing of mink blankets, a stitching machine plays a critical role in assembling and finishing the blankets. This machine is used to sew together various layers of fabric, add decorative stitching, and ensure that the blanket is constructed with durability and aesthetic appeal.</p> |
| 16 | Overlock Machine | 03 |  <p>An overlock machine, also known as a serger or overlocker, is essential in the manufacturing of mink blankets for finishing raw edges and preventing fraying. This machine stitches over the edge of the fabric, encasing the raw edges with a strong, stretchy seam.</p> |

| | | | | |
|-----|--|----|--|--|
| 17 | ETP (Effluent Treatment Plant) Machine | 01 |  | An Effluent Treatment Plant (ETP) is a facility designed to treat industrial wastewater and effluents before they are released into the environment or recycled. In industries such as blanket manufacturing, where large quantities of water are used in processes like dyeing, washing, and finishing, an ETP is crucial for managing and mitigating the impact of wastewater. |
| 18 | Steam Boiler | 01 |  | In blanket manufacturing, a steam boiler plays a critical role in the production process, particularly in dyeing, finishing, and other treatments that require heat. |
| 19. | Hydro Extractor | 02 |  | In blanket manufacturing, a hydro extractor is a crucial piece of equipment used to remove excess water from fabrics after washing or dyeing. This machine is designed to spin the fabric at high speeds to efficiently extract water, reducing drying time and improving overall production efficiency. |

CAPACITY AND CAPACITY UTILIZATION

The following table sets forth certain information relating to our capacity utilization for automatic machinery of our manufacturing facility calculated based on total installed production capacity and actual production as of/ for the periods indicated below:

| Product Family | For the Ten months period ended | For the Financial Year ended | | |
|--------------------------|---------------------------------|------------------------------|----------------|----------------|
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Installed Capacity (MT) | 6250.00 | 6250.00 | 6250.00 | 5000.00 |
| Production (MT) | 3683.00 | 4044.41 | 3687.60 | 2915.01 |
| Capacity Utilization (%) | 58.93 | 64.71 | 59.00 | 58.30 |



As of June 13, 2025, the capacity utilization of our Company has been evaluated and confirmed by Ajay Mahajan, Chartered Mechanical Engineer, confirming its operational efficiency meets industry standards.

The information relating to the installed production capacity of our processing facility, as included above and elsewhere in this Red Herring Prospectus are based on various assumptions and estimates that have been considered by the Chartered Engineer for calculation of our capacity. These assumptions and estimates include the standard capacity calculation practice of the industry after examining the calculations and explanations provided by us. The assumptions and estimates considered include the following: (i) Number of working days: 365 per year; and (ii) Batch per day is considered on 8-hour working of the plant per day.

IMPORTS-EXPORTS AND IMPORT-EXPORT OBLIGATIONS

There are no Import- Export Obligation as on date of filing this Red Herring Prospectus.

OUR PROPERTIES

The detail of our properties owned or leased by our Company are as follows:

| Sr. No. | Tenure / Term | Details of the Deed / Agreement | Area | Owned / Rented / Leased | Location of the Property | Purpose |
|---------|--------------------------------|--|---------------------------|-------------------------|--|-------------------|
| 1. | July 01, 2025 to May 31, 2026 | Rent Agreement dated June 11, 2025 between Ashok Kumar Agarwal (Landlord) and Our Company (Tenant) | Approximately 622 sqft | Rented | F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India | Registered office |
| 2. | July 08, 2016 | Sale Outside MC Area between Sunil, Anil, Sumendra Singh, Santosh, Reena, Meena (Sellers) and Silky Silky Overseas Private Limited (Buyer) | 3 Acre, 5 kanal, 13 Marla | Owned | Khasra no. 17//17/2, 18, 19/1, 22/2, 23, 24/1, 36//2/2, 3, 4/1/1, Village- Jawahara, Pardhana Road, Tehsil- Khanpur, District- Sonipat, India | Factory |
| 3. | December 17, 2020 till 9 years | The agreement to Lease dated December 17, 2020 between Sunset Warehousing Pvt. Ltd (Lessor) and Instakart Services Private Limited (Lessee) * | 30.89 Acres | Leased | Sunset Warehousing Pvt. Ltd., Hadbast No. 23, Village Sanpka, Tehsil Farukhnagar, Haileymandi, Gurugram, Haryana, India | Warehouse |
| 4. | October 25, 2019 till 9 years | The Sub Lease deed is made on October 25, 2019 between ESR Warehousing Private Limited (Sub Lessor) and Instakart Services Private Limited (Sub Lessee)** | 31,47,187 sqft | Sub Leased | J.L. No-9,55 and 8, Mouza-Chandipur, Harinarayan chak, Amraberia, Uluberia, Howrah, West Bengal, 711316, India | Warehouse |
| 5. | June 03, 2025 to May 02, 2026 | License cum service Agreement dated August 23, 2023 between Sukanaya Saha (Service Provider) and Our Company (Service | N.A. | Leased | 1st floor, Flat no. B. 149, Holding No. 899/5, Ward no. 11, Kamarhati Municipality, Ramkrishna Pally, Belghoria, Rathtala, Opposite of Clubtown Garden Main Gate, Ariadaha, Kolkata, North | Virtual Office |

| | | | | | | |
|--|--|--------------|--|--|---|--|
| | | Receiver)*** | | | Twenty-Four Parganas, West Bengal, India | |
|--|--|--------------|--|--|---|--|

*NOC dated September 08, 2023 have been received from Instakart Services Private Limited to Our company to occupy the Facility for the purposes of carrying out commercial business activities including storage and sale of goods ("Business")

** NOC dated August 09, 2023 have been received from Instakart Services Private Limited to Our company, to occupy the Facility for the purposes of carrying out commercial business activities including storage and sale of goods ("Business")

***License cum service Agreement dated July 03, 2024 between Sukanaya Saha (Service Provider) and Our Company (Service Receiver) for the period of 11 month. Further the Supplementary License Cum Services Agreement dated June 13, 2025, for extension of Tenure Period of 11 months executed between parties.

INSURANCE POLICIES




We maintain insurance coverage under various insurance policies for, among other things, our furniture & fixtures, as may be required. We believe that we maintain all material insurance policies that are customary for companies operating in our industry. The insurance policies are reviewed periodically to ensure that the coverage is adequate. Although we attempt to limit and mitigate our liability for damages our insurance may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages. *For further details, please refer to "Risk Factors" on the page 34 of this Red Herring Prospectus.*

| Sr. No. | Type of Policy | Policy Number | Date of issuance/re newal | Date of expiry | Name of the Insurance Policy Company | Sum Insured (In ₹) | Premium Amount (In ₹) |
|---------|---|------------------------------|---------------------------|-------------------|---|--------------------|-----------------------|
| 1. | Life Insurance** | 008436155 | March 23, 2021 | March 23, 2063 | Aditya Birla Sun Life Insurance Company Limited | 90,00,000 | 5,78,811 |
| 2. | Private Car Insurance Policy* | 112000312 4P1137135 12 | November 29, 2024 | November 28, 2025 | United India Insurance Company Limited | 11,63,700 | 26,416 |
| 3. | Burglary Standard Policy | 112000122 4P1141924 84 | December 08, 2024 | December 07, 2025 | United India Insurance Company Limited | 21,00,00,000 | 17,346 |
| 4. | United Bharat Laghu Udyam Suraksha Policy | 112000112 4P1141912 53 | December 08, 2024 | December 07, 2025 | United India Insurance Company Limited | 49,25,00,000 | 838,019 |
| 5. | Private Car Insurance Policy* | N2939539 | March 27, 2025 | March 26, 2026 | IFFCO-TOKIO General Insurance Co.Ltd | 4,66,560 | 21,674 |

*All above-mentioned insurance policies are in the previous name of the Company i.e., Silky Overseas Private Limited. The Company is in the process of name change from Silky Overseas Private Limited to Silky Overseas Limited for all the policies.

#The company is the policy holder of this policy however, the insured person of this policy is Mr. Sawar Mal Goyal, one of the promoter of the company. The Company is in the process of obtaining a Key Man Insurance policy for one of the other Promoter Mr. Ananya Goyal. The final details of the policy, including the sum assured, will be updated and disclosed at the time of filing the Prospectus.

INTELLECTUAL PROPERTY

| Sr. No. | Word/ Label/ Mark/Design | Application No. | Class & Details | Registration/Application date | Status/ Validity |
|---------|--|-----------------|---|-------------------------------|-------------------------|
| 01 |  Silky Overseas Limited | 6512557 | 35 (wholesaler, traders, store, retail outlet, sale services, e-commerce services via online shopping, retail websites, handling orders via internet and other online services, sale services relating to sleep masks; fashion apparels and accessories; ready-made clothing; blankets, text tiles items, scarfs; undergarments; hosiery; knitted clothing; articles of clothing; sarees; footwear; headgear; boots; shoes; suits; blazers; shirts; trousers; jackets; knitwear; neckties; uniforms) | July 05, 2024 | Formalities Check pass |
| 02 |  RIAN DECOR | 6185955 | 24 (blankets, curtains, bedsheets, comforters in class 24) | November 15, 2023 | Accepted and Advertised |
| 03 |  RIAN * | 3678938 | 24(Blankets) | November 15 2017 | Registered |
| 04 | Amelia* | 4596471 | 24(Blankets) | August 05, 2020 | Registered |

**All above-mentioned approvals are in the previous name of the Company i.e., Silky Overseas Private Limited. The Company is in the process of name change from Silky Overseas Private Limited to Silky Overseas Limited for all the approvals.*

FINANCIAL INDEBTEDNESS OF THE COMPANY

As on the date of this Red Herring Prospectus, our Company has availed certain loans For further details, please refer to the section “Statement of Financial Indebtedness” beginning on the page 216 of this Red Herring Prospectus.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Red Herring Prospectus, the Companies Act, 2013, we are subject to several central and state legislations that 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 of manufacturing and distribution of textile products. Taxation statutes such as the Income Tax Act, and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, it's 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 222 of this Red Herring Prospectus.*

APPLICABLE LAWS AND REGULATIONS

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars, and policies that are applicable to our Company and the business undertaken by our Company. The information detailed in this chapter is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars, and policies, as amended, and are subject to future amendments, changes, and/or modifications. The information detailed in this chapter has been obtained from sources 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 designed nor intended to substitute professional legal advice. The statements below are based on the current provisions of Indian law and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions.

BUSINESS/TRADE-RELATED LAWS/REGULATIONS

➤ **Textile Committee Act, 1963**

The Textile Committee Act, of 1963 to provide for the establishment of a committee for ensuring the quality of textile and Textile machinery and for matters connected therewith. The act ensures to maintain of the quality of the textile as well as machinery.

➤ **Textile Undertakings (Nationalisation) Act, 1995**

The Textile Undertakings (Nationalisation) Act, 1995 is to provide for the textile undertaking, as well as the owner's right, title, and interest in respect of the textile undertakings, as specified in the First Schedule, in order to increase the production and distribution of various types of cloth and yarn in order to serve the general public's interests, and for matters connected with or incidental thereto.

➤ **Sick Textile Undertaking (Nationalisation) Act, 1974**

Sick Textile Undertaking (Nationalisation) Act, 1974 to provide for the acquisition and transfer of the sick textile undertakings, as well as the owner's right, title, and interest in respect of the Sick Textile Undertaking, as specified in the First Schedule, with a view to re-organizing and rehabilitating such sick textile undertaking so as to serve the interests of the general public by increasing the production and distribution, at fair prices, of various varieties of the cloth and yarn, and for other purpose.

➤ **Swadeshi Cotton Mills Company Limited (Acquisition and Transfer of Undertaking) Act, 1986**

An Act to provide for the acquisition and transfer of certain textile undertakings of the Swadeshi Cotton Mills Company Limited in order to ensure proper management of such undertakings in order to serve the interests of the general public by ensuring the continued manufacture, production, and distribution of various varieties of cloth and yarn, and to give effect to the State's policy.

➤ **National Textile Policy, 2000**

The National Textile Policy, 2000 (“NTP 2000”) aims to facilitate the growth of the textile industry in order to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. It also aims to equip the textile industry with the ability to withstand the pressure of import penetration and maintain a dominant presence in the domestic market. The industry aims at developing a strong and vibrant textile industry that can produce quality products at acceptable prices. This objective is sought to be achieved by liberalizing controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. Major thrust areas of NTP 2000 include technology upgradation, enhancement of productivity, increase in exports and innovating marketing strategies, product diversification along quality consciousness, among others. Additionally, certain sector-specific initiatives envisaged under the NTP 2000 include raw materials, clothing, export, and knitting.

➤ **Production-Linked Incentive Scheme in Textiles Products**

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

➤ **Bureau of Indian Standards Act, 2016**

Bureau, processes, systems, and services, and for matters connected therewith and incidental thereto. Functions of the BIS include, inter alia, (a) recognizing as an Indian standard, with the prior approval of the Central Government, the mark of any international body or institution at par with the standard mark, for such goods, articles, process, system or service in India or elsewhere; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as maybe prescribed to represent a particular Indian standard; (c) providing training services in relation to inter alia, quality management, standards, conformity of Indian Standards Act, 2016 provides for the establishment of the Bureau of Indian Standards (“BIS”) for the development of the activities, inter alia, standardization, conformity assessment and quality assurance of goods, articles assessment; (d) publishing Indian standards; promotion of safety in connection with any goods, article, process, system or service; and (e) any such other functions as may be necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stakeholders.

➤ **The Digital Personal Data Protection Act, 2023 (“DPDP ACT”)**

The DPDP Act was notified on August 11, 2023, and is yet to come into effect. It replaces the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of the DPDP Act. The DPDP Act seeks to balance the rights of individuals to protect their digital personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent, except in case of legitimate uses as provided under the DPDP Act. It further imposes certain obligations on data fiduciaries including (i) making reasonable efforts to ensure the accuracy and completeness of data, (ii) building reasonable security safeguards to prevent a data breach, (iii) informing the Data Protection Board of India (the “DPB”) and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The DPDP Act imposes certain additional obligations on a significant data fiduciary, such as the appointment of a data protection officer, appointment of an independent data auditor, and undertaking of other measures namely, periodic data protection impact assessment, periodic audit, and such other measures as may be prescribed under the DPDP Act. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

➤ **Factories Act, 1948**

The Factories Act, 1948, sets the safety standards for workers employed in factories. It is applied to factories manufacturing goods, including weaving cloth, knitting of hosiery and other knitwear, clothing, and footwear production, dyeing and finishing textiles, manufacturing footwear, etc.

The Factories Act, of 1948, regulates the working hours for all workers. According to the Act, a working week should not exceed 60 hours.

The objectives of this Act are to regulate the hours or working time in factories so that workers are not overworked or unduly exhausted. The Act's main objectives are also to protect workers' health and safety.

➤ **The Micro, Small and Medium Enterprises Development Act, 2006**

The MSME Act seeks to provide for the promotion and development along with facilitating and enhancing competition among micro, small, and medium enterprises. The MSME Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including a company, a partnership, a firm or any other undertaking engaged in the manufacture or production as specified in the first schedule to the Industries (Development and Regulation) Act, 1951.

The MSME Act also stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

➤ **Legal Metrology Act, 2009**

The Legal Metrology Act came into effect on April 01, 2011, and has replaced the Standards of Weights and Measures Act, of 1976 and the Standards of Weights and Measures (Enforcement) Act, of 1985. The Legal Metrology Act was enacted with the objectives to establish and enforce standards of weights and measures, and regulate trade and commerce in weights, measures, and other goods which are sold or distributed by weight, measure, or number and for matters connected therewith or incidental thereto.

The Legal Metrology Act provides that no person shall manufacture, repair or sell, or offer, expose, or possess for repair or sale, any weight or measure unless he holds a license issued by the controller. The Legal Metrology Act contains provisions for verification of prescribed weight or measure by government-approved test centre. Qualifications are prescribed for legal metrology officers appointed by the Central Government or State Government. It also provides for exemption regulations of weight or measure norms for goods manufactured exclusively for export. The fee is levied under the Legal Metrology Act for various services. A director may be nominated by a company that is responsible for complying with the provisions of the enactment. There is the penalty for offenses and a provision for compounding of offenses under the Legal Metrology Act. Further, it provides for appeal against the decision of various authorities and empowers the Central Government to make rules for enforcing the provisions of the enactment.

➤ **Haryana Water Resources (Conservation, Regulation and Management) Act 2020**

This Act establishes the Haryana Water Resources (Conservation, Regulation and Management) Authority in the state of Haryana. An Act to establish the Haryana Water Resources (Conservation, Regulation, and Management) Authority for conservation, management, and regulation of water resources i.e. groundwater and surface water within the State of Haryana for ensuring the judicious, equitable, and sustainable utilization, management, regulation thereof, fix the rates for use of water and for matters connected therewith or incidental thereto.

➤ **Indian Boilers Act, 1923**

The Indian Boilers Act-1923 was enacted with the objective of providing mainly for the safety of life and Property of persons from the danger of explosions of steam boilers and for achieving uniformity in registration and inspection during the operation and maintenance of boilers in India. Every boiler owner is required to make an application to the Chief Inspector of Boilers for the inspection of the boiler along with the treasury challan of the requisite fees as per requirements of the Indian Boilers Act-1923. Under Indian Boilers Act-1923 Indian Boilers Regulations,1950(IBR,1950) have been framed. These Regulations deal with the materials, procedures & inspection techniques to be adopted for the manufacture of boilers & boiler mountings & fittings. The boiler is inspected by the Inspectorate as per the procedure laid under IBR,1950 and if found satisfactory, a Certificate is issued for operation for a maximum period of 12 months. The boilers which are not found satisfactory during the inspection are repaired as per the procedure laid under the said regulations& are re-inspected as explained. The Boilers that are transferred to the NCT of Delhi are also inspected in a similar fashion after their records are obtained from the parent state. The Boilers are also casually visited by the Inspectorate from time to time to check the validity of their certificates, safe and efficient operation. The show cause notice is issued to the boiler owner whose boiler is found working without a valid certificate and given a specified time to comply with. If the compliance is not made during the stipulated period, then necessary action as deemed fit under the Act is taken against the erring boiler owner.

➤ **The Air Prevention and Control of Pollution Act 1981**

The Air Prevention and Control of Pollution Act 1981 is an Act of the Parliament of India. It was enacted to prevent and control air pollution in the country. The Act established the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs). The CPCB and SPCBs work to implement the provisions of the Act. The Act also prohibits the emission of air pollutants from various sources.

➤ **Fire and Emergency Services Act, 2022**

Fire and Emergency Services Act, 2022 has been enacted to consolidate the law relating to Fire and Emergency Services and to make provisions for the prevention of fire and providing of fire safety measures in the buildings in the State of Haryana and for matters connected therewith and incidental thereto.

GENERAL CORPORATE COMPLIANCE

➤ **Companies Act, 2013 (the ‘Companies Act’)**

The Companies Act, of 2013, has replaced the Companies Act, of 1956 in a phased manner. The Act received the assent of the President of India on 29th August 2013. The Companies Act deals with the incorporation of companies and the procedure for incorporation and post-incorporation. The conversion of a private company into a public company and vice versa is also laid down under the Companies Act, of 2013. The procedure related to the appointment of Directors. The procedure relating to winding up, voluntary winding up, and appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to the remuneration of the directors payable by the companies are under Part II of the said schedule.

➤ **The Consumer Protection Act, 2019**

The Consumer Protection Act, of 2019 which repeals the Consumer Protection Act, of 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers, and traders. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping direct-selling or multi-level marketing. One of the substantial changes introduced by the Consumer Protection Act is the inclusion of the e-commerce industry under the Consumer Protection Act with “e-commerce” defined to refer to the buying and selling of goods or services over a digital or electronic network. Therefore, the Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer dispute redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term that may extend to two years and a fine that may extend to ten lakhs. In cases of manufacturing for sale or storing, selling or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and a fine between one lakh to ten lakh depending upon the nature of injury to the consumer.

➤ **Competition Act, 2002**

The Competition Act, of 2002 prohibits anti-competitive agreements, and abuse of dominant positions by enterprises and regulates combinations in India. The Competition Act also established the Competition Commission of India (the —CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011, and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger, or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Groups. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India if such combination is likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights, or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

➤ **Specific Relief Act, 1963**

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for the purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means the Court will order the party to perform his part of the agreement, instead of imposing on him any monetary liability to pay damages to the other party.

➤ **Sale of Goods Act, 1930**

The law relating to the sale of goods is codified in the Sale of Goods Act, of 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.

➤ **Bhartiya Nyaya Sanhita, 2023**

This act supersedes the Indian Penal Code, of 1860, this comprehensive legal framework addresses various facets of criminal law, including offenses, penalties, defenses, and procedural guidelines. The Bhartiya Nyaya Sanhita Act largely retains provisions from the Indian Penal Code, of 1860, but also introduced new offenses including but not limited to cybercrimes, environmental violations, and removed invalidated offenses that were earlier there, and enhanced penalties for certain offenses. Notably, community service replaced sedition as a form of punishment and terrorism is also explicitly recognized as an offense. The Bhartiya Nyaya Sanhita Act streamlines legal procedures, ensuring faster trials, and emphasizes witness protection and evidence collection.

➤ **Bhartiya Nagrik Suraksha Sanhita Act, 2023**

This act superseded the Code of Criminal Procedure, 1973, and became the main legislation on procedure for the administration of substantive criminal law in India, this act received assent from the president of India on December 25, 2023, and came into effect from July 01, 2024. The Bhartiya Nagrik Suraksha Sanhita Act introduces specific timelines for investigation and trial, ensures timely FIR registration for complaints submitted through electronic communication, mandates forwarding medical examination reports of rape victims within seven days, and empowers courts to conduct trial in absentia against proclaimed offenders. Additionally, the Act emphasizes prompt judgment pronouncement and requires audio-video recording of search and seizure during investigations. Notably, proceeds of crime can be attached by the court and distributed among victims. The Bhartiya Nagrik Suraksha Sanhita Act aims to expedite proceedings and enhance transparency in the criminal justice system.

➤ **Bhartiya Sakshya Adhiniyam Act, 2023**

This act superseded the Indian Evidence Act, of 1872, this act modernized evidence handling within the Indian legal system, addressing digital evidence and other contemporary issues. This act focuses on the procedural aspect of the law, governing how rights may be enforced before a court of law. This act introduces changes related to electronic evidence definitions and admissibility procedures. This act received presidential assent on December 25, 2023, and came into effect from July 01, 2024, this act has omitted certain terms that were earlier present in the Indian Evidence Act and the major change was to include electronic evidence as part of the definition of documentary records and also included the possibility of giving oral evidence electronically.

➤ **Arbitration & Conciliation Act, 1996**

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration, and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims to streamline the process of arbitration and facilitate conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or the Chief Justice of the High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

➤ **Indian Stamp Act, 1899**

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer creation or extinguishment of any right, title, or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules of the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

➤ **The Registration Act, 1908 (“Registration Act”)**

The Registration Act, 1908 (“Registration Act”) The Registration Act, 1908 (“Registration Act”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

EMPLOYMENT AND LABOUR LAWS

➤ **The Code on Wages, 2019 (the “Code”)**

The Code received the assent of the President of India on August 8, 2019. The Code is yet to be notified in the Official Gazette. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

➤ **The Payment of Wages Act, 1936**

Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

➤ **The Minimum Wages Act, 1948**

The Minimum Wages Act, of 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

➤ **The Payment of Bonus Act, 1965 (the “PoB Act”)**

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing the computation of allocable surplus, set on and set off of allocable surplus and bonus due.

➤ **The Equal Remuneration Act, 1976**

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

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

The scheme shall be administered by the Central Board constituted under section 6C 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 Section 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 the Commissioner or other officer so authorized and shall be produced for inspection from time to time. The amount received as the employer’s contribution and also the Central Government’s contribution to the insurance fund shall be credited to an account called a “Deposit-Linked Insurance Fund Account.”

➤ **The Employees’ Pension Scheme, 1995**

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Act. Every employee who is a member

of EPF or PF has the option of joining the scheme. The employer shall prepare a Family Pension Fund contribution card in respect of all the employees who are members of the fund.

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

It is an Act to provide 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. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employers and employees both are required to make a contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

➤ **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF ACT")**

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the state Provident fund commissioner.

➤ **The Employees' Compensation Act, 1923**

The Employees' Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The said Act makes every employer liable to pay compensation if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment.

➤ **Payment of Gratuity Act, 1972 (the "Act")**

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, specifying this behalf. A shop or establishment to which this Act has become applicable shall continue to be governed by this Act irrespective of the number of persons falling below ten on any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

➤ **Maternity Benefit Act, 1961 (the "Act")**

The Act provides for leave and the 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 the 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 was employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

➤ **Industrial Disputes Act, 1947 (the "Act")**

The Industrial Disputes Act, of 1947 (Industrial Disputes Act) provides for mechanisms and procedures to secure industrial peace and harmony through investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to the whole of India and applies to every industrial establishment carrying on any business, trade, manufacture, or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labor, apprentices, and part-time employees to do any manual, clerical, skilled, unskilled, technical, operational, or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure layoff or retrenchment. (b) the procedure for prior permission of the appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labor practices on the part of an employer or a trade union or workers.

➤ **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act")**

In order to curb the rise in sexual harassment of women in the workplace, this Act was enacted for the 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 females in the workplace. Every employer has a duty to provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to 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.

➤ **Apprentices Act, 1961**

The Apprentices Act, 1961, as amended (the Apprentices Act) regulates and controls the program of training of apprentices and matters connected therewith. The term Apprentice means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Apprenticeship Training means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

➤ **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 Section 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 the Commissioner or other officer so authorized and shall be produced for inspection from time to time. The amount received as the employer’s contribution and also the Central Government’s Contribution to the insurance fund shall be credited to an account called a “Deposit-Linked Insurance Fund Account.”

➤ **The Employees’ Pension Scheme, 1995**

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

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

Inter-State Migrant Workmen Act is an act enacted by the Parliament of India to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. This Act is applicable to every establishment and contractor who has employed five or more inter-state of Pass-Book to every inter-state migrant workmen with full details, payment of displacement allowance equivalent to 50% of monthly wages of ₹ 75/-, whichever is higher, payment of journey allowance including payment of wage during the period of the journey, suitable residential accommodation, medical facilities and protective clothing, payment of wages, equal pay for equal work irrespective of sex, etc. The main responsibility for the enforcement of the provisions of the Inter-State Migrant Workmen Act lies with the Central Government and the State Governments/Union Territories in the establishments falling in the Central and State spheres, respectively.

➤ **Industrial Employment Standing Orders Act, 1946**

The Industrial Employment Standing Orders Act, of 1946 aims to provide for the fixation of minimum rates of wages, hours of work, holidays with pay, and leave with pay in factories, workshops, and other establishments or undertakings which employ ten or more workers.

It also provides for the regulation of facilities like medical aid and welfare schemes to be extended by employers to their employees. It was enacted to monitor and regulate the terms and conditions of industrial employment in India. It made provisions for the security of employment and payment of wages by cash or through cheque etc. The Act also provides for machinery for adjudicating disputes regarding violation of such terms and conditions. A Standing Order is a document setting out terms and conditions of employment for workers in an industry.

➤ **Child Labour (Prohibition and Regulation) Act, 1986**

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act, the employment of child labor in the building and construction industry is prohibited.

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

Provisions of the Trade Union Act, of 1926 provide 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 labor, of any person shall be treated as a trade dispute. For every trade dispute, a trade union has to be formed. For the purpose of the Trade Union Act, of 1926, Trade Union means a combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers between workmen and workmen, or between employers and employers, or for imposing a restrictive condition on the conduct of any trade or business, etc.

ENVIRONMENTAL LEGISLATIONS:

➤ **The Environmental Protection Act, 1986 (“Environment Protection Act”), Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”), And The Air (Prevention And Control Of Pollution) Act, 1981 (“Air Act”)**

Provide for the prevention, control, and abatement of pollution. Pollution Control Boards (“PCBs”) have been constituted in all the States in India to exercise the authority provided under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain approvals from the relevant State PCBs for emissions and discharge of effluents into the environment. The Hazardous Wastes (Management, Handling, and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”) impose an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such hazardous wastes properly including proper collection, treatment, storage, and disposal. Every occupier and operator of the facility generating hazardous waste is required to obtain approval from the PCB for collecting, storing, and treating the hazardous waste.

➤ **The Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016**

Hazardous Waste Management Rules are notified to ensure safe handling, generation, processing, treatment, package, storage, transportation, use reprocessing, collection, conversion, and offering for sale, destruction, and disposal of Hazardous Waste. These Rules came into effect in the year 1989 and were amended later in the years 2000, and 2003 with final notification of the Hazardous Waste (Management, Handling, and Transboundary Movement) Rules, 2008 in supersession of the former notification. The Rules lay down corresponding duties of various authorities such as MoEF, CPCB, State/UT Govts., SPCBs/PCCs, DGFT, Port Authority, and Custom Authority while State Pollution Control Boards/ Pollution Control Committees have been designated with wider responsibilities touching across almost every aspect of Hazardous wastes generation, handing and their disposal.

➤ **The Noise Pollution (Regulation & Control) Rules, 2000 (“Noise Regulation Rules”)**

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

➤ **Plastic Waste Management Rules, 2016**

The Ministry of Environment, Forest and Climate Change published the Plastic Waste Management Rules, 2016 with an aim to increase the minimum thickness of plastic carry bags from 40 to 50 microns and stipulate a minimum thickness of 50 microns for plastic sheets. It also aims to facilitate collection and recycling of plastic waste and delegates responsibility to the waste generators for waste segregation and disposal. The recently notified Plastic Waste Management (Amendment) Rules, 2018 also prescribes a central registration system for the registration of the producer/importer/brand owner.

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 is 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, 2017**

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

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable for registration. The Central/State authority shall issue the registration certificate upon receipt of the application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessed is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced the following indirect taxes and duties at the central and state levels.

➤ **Customs Act, 1962**

The provisions of the Customs Act, 1962, and rules made there under 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 required to import or export any goods is first required to get itself registered and obtain an IEC (Importer Exporter Code).

INTELLECTUAL PROPERTY LEGISLATIONS

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

- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- The Designs Act, 2000
- The Patent Act, 1970

The Acts applicable to our Company will be:

➤ **Trade Marks Act, 1999 (“TM Act”)**

The Trade Marks Act, of 1999 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 TM 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.

FOREIGN TRADE LAWS

➤ **Foreign Trade (Development and Regulation) Act, 1992**

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given wide power to prohibit, restrict, and regulate exports and imports in general as well as specified cases of foreign trade. The FTA with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code (“IEC”) number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is canceled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units, and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

➤ **Foreign Exchange Management Act, 1999 & Rules thereunder**

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations, and notifications thereunder, as issued by the RBI from time to time, and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEMA Rules were enacted on October 17, 2019, in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 percent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

➤ **The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974**

COFEPOSA came into force for the reason of providing preventive detention and to protect and augment the guidelines of foreign exchange. The Act also aims to control smuggling activities and other issues in relation to these activities. COFEPOSA confers power on the Central and the State Governments' to issue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection and intensification of foreign exchange. The Government shall also issue an order of detention on the ground that the person has engaged in the activity of smuggling goods, assists any person in smuggling goods, transports or conceals such goods, harboring any person employed in the smuggling activities, or does any other activity related with smuggling. Such an order shall be issued by the Joint Secretary to the Central Government Secretary to the State Government or any senior officer authorized by the Government.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act of 1881, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Indian Contract Act, 1872, Information Technology Act, 2000, etc.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

BRIEF HISTORY AND CORPORATE PROFILE

Our Company was originally incorporated on May 01, 2016, as a Private Limited Company in the name and style of ‘Silky Overseas Private Limited’ under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on October 19, 2023, our Company was converted from a Private Limited Company to a Public Limited Company and consequently, the name of our Company was changed to ‘Silky Overseas Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 07, 2023.

The Corporate Identification Number of our Company is U17110DL2016PLC298888

As on date of this Red Herring Prospectus, our Company has Twenty-five (25) shareholders.

Our Company is promoted by:

1. Mr. Sawar Mal Goyal
2. Mr. Ananya Goyal
3. M/s. S. M. Goyal & Sons (HUF)

For information on our Company’s business profile, activities, services, managerial competence, and customers, see chapters titled, “Our Business”, “Financial Statements as Restated”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on the page 123, 195 and 196 respectively of this Red Herring Prospectus.

ADDRESS OF REGISTERED OFFICE

Our Company’s Registered Office is situated at F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India

For Details on other locations of our Company, please see the chapters titled, “Our Business” beginning on page 123 of this Red Herring Prospectus.

CHANGES IN OUR REGISTERED OFFICE

At present our Registered Office is located at F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India.

Prior to this, following changes were made in the location of our Registered Office:

| From | To | With effect from | Reason for change |
|---|--|------------------|------------------------------------|
| A-48, Wazirpur Industrial Area, North West, Delhi – 110052, India | F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India | August 08, 2024 | To increase Operational Efficiency |

MAJOR EVENTS AND MILESTONES

The table below sets forth some of the key events in the history of our Company:

| Year | Particulars |
|---------|--|
| 2016 | Incorporation of the Company. |
| 2016 | Land was acquired which is located at Khewat no.203/147, Killa No. 17//17/2, 18, 19/1, 22/2, 23, 24/1, 36//2/2, 3, 4/1/1 Rakba Mauja of village Jawahra, sub tehsil Khanpur Kalan, Sonapat, Haryana. |
| 2017 | Beginning of the Commercial Production |
| 2018-19 | The turnover of the company crossed approximately 5.5 times of the last financial year to ₹66,66,26,088. |
| 2020 | Established presence on e-commerce platform named Flipkart |
| 2022 | Initiated a project that successfully led to the installation of a 750kw solar plant in order to reduce the company’s carbon footprint. |
| 2022 | Introduced a new line of products including bedsheets, comforters, and curtains. |

| | |
|------|---|
| 2023 | Established presence on e-commerce platform aggregators such as Amazon, Flipkart, Ajio, Limeroad, Myntra, etc. |
| 2023 | Conversion of our Company from Private Limited Company to Public Limited Company |
| 2024 | Certificate of Quality Management System ISO 9001:2015 issued by International Quality Certification Services UK Ltd. |

MAIN OBJECTIVES OF OUR COMPANY

The object clause of the Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised in the present Issue.

Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The main objectives of our Company are:

1. To carry on business to manufacture, buy, sell, import, export, or to deal in preparation of blankets made up of wool, cotton, synthetic, woolen fabrics, silk, art silk, and other fiber or blends thereof by modern methods utilizing plant powered by electricity, steam, gas or by any other method generally to wash, clean, purify, scour, bleach, dry, iron, colour, dye, disinfect.
2. To carry on all or any of the business of dealers and manufacturers of all kinds of blankets, carpets, durries, mats, rugs, namdas, shawls, tweeds, linen, flannels, and all other articles of woolen and worsted materials and of all articles similar to the foregoing or any of them or connected therewith.
3. To carry on the business of trading of Iron and steel, Copper scrap and stainless steel flate.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY

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

| Date of Meeting | Meeting | Nature of Amendment |
|-------------------|---------|--|
| August 22, 2016 | EGM | Increase in Authorised Capital: Increase in Authorised Share Capital from ₹ 200.00 Lakh to ₹ 400.00 Lakh. |
| June 02, 2018 | EGM | Change in Object Clause: Added one more object to main clause i.e. To carry on the business of trading of Iron and steel, Copper scrap and stainless steel flate. |
| October 19, 2023 | EGM | Alteration of Name Clause: Alteration of name clause by way of conversion of Company from Private Limited to Public Limited i.e., Change of name from “Silky Overseas Private Limited” to “Silky Overseas Limited”. |
| November 25, 2023 | EGM | Increase in Authorised Capital: Increase in Authorised Share Capital from ₹ 400.00 Lakh to ₹ 1500.00 Lakh. |
| August 08, 2024 | BM | Change in Registered Office within Local Limits <i>To change the Registered office from A-48, Wazirpur Industrial Area, North West, Delhi – 110052, India to F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India.</i> |

DETAILS REGARDING THE ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS, OR REVALUATION OF ASSETS

Our Company has not made any material acquisitions or divestments of any business or undertaking and has not undertaken any mergers, amalgamation, or revaluation of assets in the last ten years.

DETAILS REGARDING HOLDING / SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURE

As of the date of filing of this Red Herring Prospectus, our Company does not have any Holding or Associate Company or Joint Venture or Subsidiary(ies) company.

CAPACITY / FACILITY CREATION, LOCATION OF PLANTS

For information on our Company's business profile, Capacity, and location of the Plant, see chapters titled, ***"Our Business"*** on page 123 of this Red Herring Prospectus.

GUARANTEES PROVIDED BY OUR PROMOTER

As of the date of this Red Herring Prospectus, no guarantee has been issued by Promoters except as disclosed in the ***"Statement of Financial Indebtedness"*** on the page 216 of this Red Herring Prospectus.

CAPACITY / FACILITY CREATION, LOCATION OF THE PLANTS

For information on our Company's business profile, Capacity, and location of the Plant, see chapters titled, ***"Our Business"*** on page 123 of this Red Herring Prospectus.

CAPITAL RAISING (DEBT / EQUITY):

For details in relation to our capital raising activities through equity, please refer to the chapter titled ***"Capital Structure"*** beginning on the page 77 of this Red Herring Prospectus. For details of our Company's debt facilities, see ***"Statement of Financial Indebtedness"*** on the page 216 of this Red Herring Prospectus.

CHANGES IN THE ACTIVITIES OF OUR COMPANY SINCE INCORPORATION

There have been no changes in the activities of our Company since incorporation which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets, and similar factors.

CHANGES IN THE MANAGEMENT

For details of the change in Management, please see the chapter titled ***"Our Management"*** on the page 166 of this Red Herring Prospectus.

COLLABORATION AGREEMENTS

As of the date of this Red Herring Prospectus, our Company is not a party to any collaboration agreements.

DEFAULTS OR RESCHEDULING OF BORROWINGS FROM FINANCIAL INSTITUTIONS / BANKS

There have been no defaults or rescheduling/restructuring of borrowings with financial institutions/banks in respect of borrowings of our Company.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

INJUNCTION OR RESTRAINING ORDER

Except as disclosed in the section titled ***"Outstanding Litigation and Material Developments"*** beginning on the page 217 of this Red Herring Prospectus, there are no injunctions / restraining orders that have been passed against the Company.

LOCKOUTS AND STRIKES

There have been no lockouts or strikes at any of the units of our Company.

TIME AND COST OVERRUNS

Our Company has not implemented any projects and has, therefore, not experienced any time or cost overrun in setting up of projects.

SHAREHOLDERS' AGREEMENTS

As of the date of this Red Herring Prospectus, our Company has not entered into any Shareholders' Agreements.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT A DIRECTOR OR PROMOTER OR ANY OTHER EMPLOYEE OF THE COMPANY

Except as mentioned in Chapter titled ‘***Our Management***’ beginning on page 166 of this Red Herring Prospectus, there are no agreements entered into by key managerial personnel or senior management or a Director or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

MATERIAL AGREEMENTS

As of the date of this Red Herring Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled ‘***Our Business***’ beginning on the page 123 of this Red Herring Prospectus.

Other Agreements:

- i. **Non-Compete Agreement:** Our Company has not entered into any Non-compete Agreement as of the date of filing of this Red Herring Prospectus.
- ii. **Joint Venture Agreement:** Our Company has not entered into any Joint Venture Agreement as of the date of filing of this Red Herring Prospectus.

STRATEGIC PARTNERS

As of the date of this Red Herring Prospectus, our Company does not have any Strategic Partners.

FINANCIAL PARTNERS

As of the date of this Red Herring Prospectus, apart from the various arrangements with bankers and financial institutions that our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

CORPORATE PROFILE OF OUR COMPANY

For details on the description of our Company’s activities, the growth of our Company, please see “***Our Business***”, “***Management’s Discussion and Analysis of Financial Conditions and Results of Operations***” and “***Basis of Issue Price***” on pages 123, 196 and 98 this Red Herring Prospectus.

OUR MANAGEMENT

Under the Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Red Herring Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Managing Director, 1 (One) as Whole-Time Director, 1(One) as Additional Non-Executive Director and 2 (Two) as Independent Directors.

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

| Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term | Date of Appointment / Reappointment | Other Directorships / Designated Partners |
|---|--|---|
| Mr. Sawar Mal Goyal DOB: November 04, 1962 Age: 62 Years Qualification: Senior Secondary Designation: Managing Director and Chairman Address: House No. 44, Engineers Enclave, Pitampura, Saraswati Vihar, North West, Delhi -110034, India Occupation: Business Nationality: Indian DIN: 01896767 Term: Appointed as Managing Director and Chairperson of the Company for a period of five years w.e.f. June 11, 2024, up to June 10, 2029. | Appointed as Director w.e.f. May 01, 2016. Appointed as Managing Director and Chairman of the Company for a period of five years w.e.f. June 11, 2024, up to June 10, 2029. | Companies Nil Limited Liability Partnerships Nil |
| Mr. Ananya Goyal DOB: July 03, 1994 Age: 30 years Qualification: Bachelor of Science in Business and Management studies Designation: Whole Time Director Address: House No. 44, Engineers Enclave, Pitampura, Saraswati Vihar, North West, Delhi -110034 Occupation: Business Nationality: Indian DIN: 07492850 Term: Appointed as Whole Time Director of the Company for a period of five years w.e.f. June 11, 2024, up to June 10, 2029. | Appointed as Director w.e.f. May 01, 2016. Appointed as Whole-Time Director of the Company for a period of five years w.e.f. June 11, 2024, up to June 10, 2029. | Companies Nil Limited Liability Partnerships Nil |



| Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term | Date of Appointment / Reappointment | Other Directorships / Designated Partners |
|--|--|---|
| <p>Ms. Shweta Bansal</p> <p>DOB: July 03, 1983</p> <p>Age: 41 Years</p> <p>Qualification: Fellow member of the Institute of Company Secretaries of India (ICSI)</p> <p>Designation: Independent Director</p> <p>Address: House No.633, 1st Floor, Near Sun Flag Hospital, sector 16, Kheri Kalan, Faridabad, Haryana-121002, India</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>DIN: 08396474</p> <p>Term: Regularized as Independent Director w.e.f. October 19, 2023 for a term of five consecutive years.</p> | <p>Appointed as Additional Independent Director of the Company w.e.f. October 17, 2023.</p> <p>Regularized as Independent Director w.e.f. October 19, 2023 for a term of five consecutive years.</p> | <p>Companies</p> <ul style="list-style-type: none"> • MPDL Limited • Globas Infocom Limited <p>Limited Liability Partnerships</p> <p>Nil</p> |
| <p>Mr. Jay Kumar Shaw</p> <p>DOB: December 27, 1981</p> <p>Age: 43 Years</p> <p>Qualification: C.F.A.(ICFAI), F.R.M. (U.S.), Doctor of Philosophy in the Field of Finance (Germany).</p> <p>Designation: Independent Director</p> <p>Address: 7/1gr, Marhatta Ditch lane 7, Shyampukur, Baghbazar, Kolkata, West Bengal – 700003, India</p> <p>Occupation: Professional</p> <p>Nationality: Indian</p> <p>DIN: 09627535</p> <p>Term: Appointed as Independent Director of the Company w.e.f. June 11, 2024 for a term of five consecutive years.</p> | <p>Appointed as Independent Director of the Company w.e.f. June 11, 2024 for a term of five consecutive years.</p> | <p>Companies</p> <ul style="list-style-type: none"> • Jaikvik Business India Private Limited • Jaikvik Technology India Private Limited • Associated Coaters Limited • Fhreyra Trade and Exim Private Limited • Colstay Limited <p>Limited Liability Partnerships</p> <p>Nil</p> |
| <p>Mr. Manoj Dalmia</p> <p>DOB: April 17, 1985</p> <p>Age: 40 Years</p> <p>Qualification: Bachelor in Commerce from University of Rajasthan and Post-Graduation Programme in Corporate Studies from International School of Corporate Management</p> | <p>Appointed as Additional Director (Non-Executive) on February 10, 2025, till the conclusion of General meeting.</p> | <p>Companies</p> <p>Nil</p> <p>Limited Liability Partnerships</p> <p>Nil</p> |



| Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term | Date of Appointment / Reappointment | Other Directorships / Designated Partners |
|---|-------------------------------------|---|
| <p>Designation: Additional Non- Executive Director</p> <p>Address: Appointed as Additional Director (Non-Executive) on February 10, 2025, till the conclusion of General meeting.</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>DIN: 10549692</p> <p>Term: Appointed as Additional Director (Non-Executive) on February 10, 2025, till the conclusion of General meeting.</p> | | |

BRIEF PROFILE OF OUR DIRECTORS

Mr. Sawar Mal Goyal, aged 62 years was the first director and is the Promoter of the Company and later was appointed as Managing Director Chairman of the Company for a period of five years w.e.f. June 11, 2024, up to June 10, 2029. He is the Director of the company since Incorporation of the Company w.e.f. May 01, 2016. He has more than 15 years of experience in business and also has working experience in stainless steel business as a beginner. He has worked with Ananya Foils Private Limited, where his expertise further expanded, contributing to the company's growth in the metals sector. Additionally, as a Proprietor at Goyal Impex, Mr. Goyal gained valuable experience managing operations and fostering key business relationships, further honing his entrepreneurial skills. He has been responsible for the company's expansion and overall management since its inception. He plays a key role in developing and implementing business strategies, ensuring alignment with corporate values and objectives.

Mr. Ananya Goyal, aged 30 years, was the first director and is the Promoter and Whole-Time Director of the Company. He was appointed as Director w.e.f. May 01, 2016. Further, He was designated as Whole-Time Director w.e.f. June 11, 2024, for a period of 5 consecutive years. Mr. Goyal plays a crucial role in executing the company's vision and ensuring its day-to-day management aligns with strategic goals. He has completed his degree of BSC (Hons) Business and Management in the year 2015. He has more than 08 years of experience which extends to various roles at AIESEC, The Waxpol Industries Limited, and ICICI Prudential Life Insurance. He holds a key executive position within the company, responsible for driving operational efficiency, strategic growth, and overall corporate governance. He oversees the daily manufacturing of blankets, manages a staff of the company, and controls the procurement of raw materials, production, and distribution channels. Additionally, he directly manages client relationships and is responsible for coordinating and approving budgets for product development, marketing, overhead, and company growth.

Ms. Shweta Bansal, aged 41 years, is the Independent Director of the company. She was appointed as an Additional Independent Director w.e.f. October 17, 2023, by the Board. She was further regularised by Shareholders of the Company w.e.f. October 19, 2023. She completed her B.com (Hons) from Delhi University in 2004 and she is a fellow member of the Institute of Company Secretaries of India (ICSI). She has worked as an Assistant Manager Legal & Deputy Company Secretary in Gateway Rail Freight Limited and also worked as deputy Manager in Secretarial with RRB Energy Limited for a period from 2010 to 2016. She has an overall experience of about 08 years.

Mr. Jay Kumar Shaw, aged 43, was appointed as the Independent Director of the Company on June 11, 2024, for a term of five years. He holds a B. Com (Hons), CFA (ICFAI University), FRM (U.S.), and a Doctorate in Finance. With over 11 years of experience, he is known for his expertise in providing strategic guidance and operational excellence. His experience spans both employment and project-based roles with prominent companies, including Cygnus Business Consulting & Research, Apitco, SRB Consultancy, Dun & Bradstreet, Acuite Ratings, Auego Resolution Services, Sharp Mint, Jaikvik Business India, Resurgent India, CARE Advisory, NITCON, and Rubix Data Sciences.

Mr. Manoj Dalmia, aged 40, has been appointed as an Additional Non-Executive Director of the company w.e.f. February 10, 2025. He has completed B. Com from the University of Rajasthan in the year 2008. He has an overall experience of around 15 years. He began his career in the year 2008 by performing the role of the district manager of Vodafone company as a trainee while pursuing his education at the International Institute of Corporate Management. Thereafter, he started the wholesale and retail business of jute products in 2008 under the name M/S. Bharat Trading Company. He completed the

Course on Corporate Studies from the International Institute of Corporate Management in the year 2010. With the knowledge that he possesses, today Mr. Manoj Dalmia is helping his client in financial planning and he is associated with mutual funds in India since October 2020.

CONFIRMATIONS

- a) Except as stated below, none of the Directors and Key Managerial Personnel of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

| Sr. No | Name of the Director | Name of the Director | Relationship |
|--------|----------------------|----------------------|--------------|
| 1. | Mr. Sawar Mal Goyal | Mr. Ananya Goyal | Father-Son |

- b) There are no arrangements or understanding with major shareholders, customers, suppliers, or others, under which any of the Directors or Key Managerial Personnel were selected as a Director or Member of Senior Management.
- c) There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- d) As on the date of this Red Herring Prospectus, none of our directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- e) As of the date of this Red Herring Prospectus, none of our Directors are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- f) As on the date of this Red Herring Prospectus, none of our director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- g) As of the date of this Red Herring Prospectus, none of our directors is or was a director of any listed Company that has been or was delisted from any stock exchange during the term of their directorship in such Company.
- h) As on the date of this Red Herring Prospectus, none of the Promoter, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- i) No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

REMUNERATION / COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force). Set forth below is the remuneration payable by our Company to our Directors for upcoming financial years.

(₹ in Lakhs)

| Sr. No. | Name of Director | Remuneration shall not exceed |
|---------|---------------------|-------------------------------|
| 1. | Mr. Sawar Mal Goyal | 30.00 |
| 2. | Mr. Ananya Goyal | 13.20 |
| | Total | 43.20 |

The directors have been paid gross remuneration as follows:

(₹ in Lakhs)

| Sr. No. | Name of Director | Remuneration for the year ended March 31, 2024 | Remuneration for the year ended January 31, 2025 |
|---------|----------------------|--|--|
| 1. | Mr. Sawar Mal Goyal* | 30.00 | 25.00 |
| 2. | Mr. Ananya Goyal** | 13.20 | 11.00 |
| | Total | 43.20 | 36.00 |

* Mr. Sawar Mal Goyal was appointed as Managing Director w.e.f. June 11, 2024.

** Ms. Ananya Goyal was appointed as Whole Time Director w.e.f. June 11, 2024.

TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTORS

Mr. Sawar Mal Goyal

Mr. Sawar Mal Goyal, is the Promoter, Chairman, and Managing Director of the Company. He has been the Director of the Company since its incorporation. He was appointed as Managing Director and Chairman of the Company w.e.f. June 11, 2024, for a period of 5 consecutive years. The significant terms of his employment are as below:

| | |
|---|---|
| Remuneration | Upto ₹30.00 Lakh per annum |
| Bonus and Profit-sharing Ratio | As per the rules of the company. |
| Term | Appointed as Managing Director and Chairman for a period of 5 (Five) years commencing from June 11, 2024 to June 10, 2029. |
| Remuneration in the event of loss or inadequacy of profits | In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company. |

For further information on brief profile of Director, please refer the section “**Brief Profile of our Directors**”.

Mr. Ananya Goyal

Mr. Ananya Goyal is the Promoter and Whole-Time Director of our Company. He has been the Director of the Company since incorporation. He was appointed as Whole-Time Director of the Company w.e.f. June 11, 2024, for a period of 5 consecutive years. The significant terms of his employment are as below:

| | |
|---|---|
| Remuneration | Upto ₹ 13.20 Lakh per annum |
| Bonus and Profit-sharing Ratio | As per the rules of the company. |
| Term | Appointed as Whole-Time Director for a period of 5 (five) years commencing from June 11, 2024 to June 10, 2029. |
| Remuneration in the event of loss or inadequacy of profits | In the event of inadequacy or absence of profits in any financial years during her tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company. |

For further information on brief profile of Director, please refer the section “**Brief Profile of our Directors**”.

SITTING FEES

The payment of sitting fees to the Non-Executive Director and Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in the following manner:

| Sr. No. | Name of Director | Fees for attending the meeting of | |
|---------|--------------------|-----------------------------------|-----------------------|
| | | Board of Directors | Committee Meetings |
| 1. | Ms. Shweta Bansal | Rs.20,000 Per Meeting | Rs.20,000 Per Meeting |
| 2. | Mr. Jay Kumar Shaw | Rs.20,000 Per Meeting | Rs.20,000 Per Meeting |
| 3. | Mr. Manoj Dalmia | Rs.20,000 Per Meeting | Rs.20,000 Per Meeting |

PAYMENT OF BENEFITS

Except to the extent of remuneration payable to the Managing Director, Whole Time Director, and Executive Director for services rendered to our Company and to the extent of fees payable to the Non-Executive Director for the professional services provided by him and to the extent of other reimbursements of expenses payable to them as per their terms of appointment, our Company has not paid in the last 2 (two) years preceding the date of this Red Herring Prospectus and does not intend to pay, any amount or benefits to our directors.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, since the incorporation, or given or is intended to be paid or given to any of our Company’s officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except for statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer’s employment in our Company or superannuation. Contributions are made regularly by our Company towards the provident fund, gratuity fund, and employee state insurance.

REMUNERATION PAID TO OUR DIRECTORS BY OUR SUBSIDIARY

As of the date of this Red Herring Prospectus, our Company does not have a subsidiary(ies).

BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

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

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Our Articles of Association do not require our directors to hold qualification shares.

As of the date of this Red Herring Prospectus, our directors hold the following number of Equity Shares of our Company:

| Sr. No. | Name of Directors | No. of Equity Shares Held (Pre-Issue) | % of pre-Issue capital |
|---------|---------------------|---------------------------------------|------------------------|
| 1 | Mr. Sawar Mal Goyal | 27,54,200 | 61.73 |
| 2 | Mr. Ananya Goyal | 9,00,000 | 20.17 |
| | Total | 36,54,200 | 81.90 |

SHAREHOLDING OF DIRECTORS IN OUR SUBSIDIARY(IES)

As of the date of this Red Herring Prospectus, our Company does not have a subsidiary(ies).

INTEREST OF OUR DIRECTORS

Our Managing Director, Whole Time Director, and Executive Directors may be interested to the extent of remuneration paid to them, respectively for services rendered as Directors of our Company and reimbursement of expenses payable to them. For details, please refer to “Terms and conditions of employment of our Managing Director, Whole Time Director and Executive Directors” above. Further, all our Non-Executive and Independent Directors may be interested in the extent of fees payable to them and/or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. The Independent Directors are paid sitting fees for attending the meetings of the Board and Committees of the Board and may be regarded as interested to the extent of such sitting fees and reimbursement of other expenses payable to them as per their terms of appointment.

Two of our Directors Mr. Sawar Mal Goyal, and Mr. Ananya Goyal, may be deemed to be interested in the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them if any.

Interest in the promotion of our Company

Except for Mr. Sawar Mal Goyal, and Mr. Ananya Goyal, none of our Directors have any interest in the promotion or formation of our Company as of the date of this Red Herring Prospectus.

Interest in the property of our Company

Except as stated in the chapter titled **“Related Party Transaction”** beginning on the page 194 of this Red Herring Prospectus, our Directors have not entered into any contract, agreement, or arrangements within a period of 2 (two) years preceding the date of this Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further, our directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled **“Our Properties”** under the chapter titled **“Our Business”** beginning on the page 123 of this Red Herring Prospectus.

Interest as Creditor of our Company

As of the date of this Red Herring Prospectus, except as stated in the chapter titled **“Statement of Financial Indebtedness”** and heading titled **“Related Party Transactions”** under the chapter titled **“Financial Statements as Restated”**, our Company has not availed loans from Directors of our Company.

Interest in the business of Our Company

Further, save and except as stated otherwise in **“Statement of Related Parties Transactions”** in the chapter titled **“Financial Statements as Restated”** of this Red Herring Prospectus, our directors do not have any other interests in our Company as of the date of this Red Herring Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar, and Bankers to the Issue or any such intermediaries registered with SEBI.

Interest in transactions involving the acquisition of land

Our directors are not currently interested in any transaction with our Company involving the acquisition of land. *Except as stated/referred to under the heading titled “Our Properties” under the chapter titled “Our Business” beginning on the page 123 of this Red Herring Prospectus*, our directors have not entered into any contract, agreement, or arrangements in relation to the acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Interest as a Member of a Company or Firm

Except as stated in this chapter the section titled “Related Party Transactions” and the chapter “Our Business” beginning on page 194 and 123 of this Red Herring Prospectus respectively, our Directors do not have any other interest in our business.

Other Interests

Except as stated above, none of the beneficiaries of loans, advances, and sundry debtors are related to the Directors of our Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

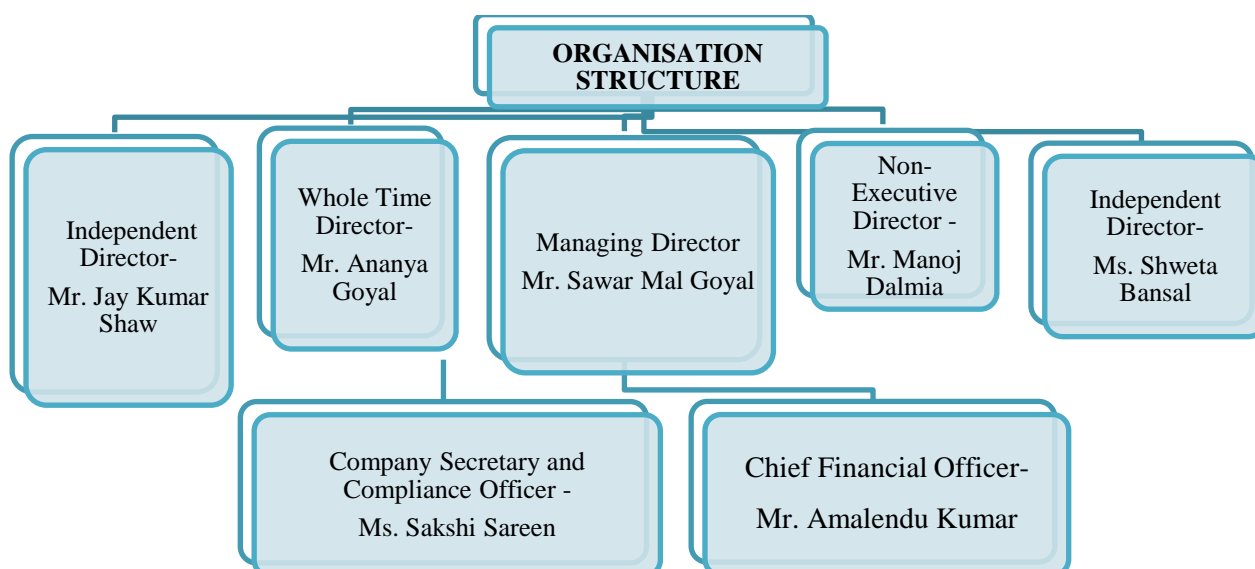
Further, our directors may be directors on the board or are members, partners, or trustees of certain Group Entities and may be deemed to be interested in the extent of the payments made by our Company, if any, to such Group Entities. *For the payments that are made by our Company to certain Group Entities, please refer to chapters titled “Financial Statements as Restated” and “Related Party Transactions” beginning on the page 195 and 194 respectively, of this Red Herring Prospectus.*

CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

| Sr. No. | Directors | Date of Event | Event | Reason for Change |
|---------|---------------------|-------------------|--|---------------------------------------|
| 1. | Mr. Sawar Mal Goyal | June 11, 2024 | Appointed as Managing Director and Chairman | To ensure better Corporate Governance |
| 2. | Mr. Ananya Goyal | June 11, 2024 | Appointed as Whole Time Director | |
| 3. | Ms. Shweta Bansal | October 17, 2023 | Appointed as Additional Independent Director | |
| 4. | Ms. Shweta Bansal | October 19, 2023 | Regularised as Independent Director | |
| 5. | Mr. Jay Kumar Shaw | June 11, 2024 | Appointed as Independent Director | |
| 6. | Ms. Rishika Goyal | July 03, 2024 | Appointed as Additional Non-Executive Director | |
| 7. | Ms. Rishika Goyal | July 03, 2024 | Regularised as Non-Executive Director | To ensure better Corporate Governance |
| 8. | Ms. Rishika Goyal | February 10, 2025 | Resigned as Non-Executive Director | Due to pre-occupancy |
| 9. | Mr. Manoj Dalmia | February 10, 2025 | Appointed as Additional Non-Executive Director | To ensure better Corporate Governance |

ORGANISATION STRUCTURE



BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on June 11, 2024, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid-up capital and free reserves of the Company provided such amount does not exceed ₹ 200,00,00,000 /- (Rupees Two Hundred Crores only) over and above the aggregate of the paid-up share capital and free reserves which may have not been set apart for any purpose.

APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT

Except as disclosed in this Red Herring Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

POLICIES ADOPTED BY OUR COMPANY

Our Company has adopted the following policies:

- a) Policy on Code of Conduct for Directors and Senior Management
- b) Policy of Audit Committee
- c) Policy of Nomination and Remuneration Committee
- d) Policy of Stakeholder Relationship Committee
- e) Policy of Internal Complaint Committee
- f) Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information
- g) Policy on Disclosure and Internal Procedure for Prevention of Insider Trading
- h) Policy on Whistle Blower and Vigil Mechanism
- i) Policy on Related Party Transactions (RPT)
- j) Policy for Preservation of Documents and Archival of Documents
- k) Policy for Prevention of Sexual Harassment
- l) Policy on Materiality for Disclosures of Events to Stock Exchanges
- m) Policy on Code of Independent Directors and Familiarization of Independent Director

- n) Policy for identification of Materiality of outstanding Litigations involving the Company, its subsidiary(ies), Directors, Promoter, and other Group Companies
- o) Policy on Material Outstanding due to the Creditors
- p) Policy on Corporate Social Responsibility

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 2015 will also comply with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good Corporate Governance practices based on principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication, and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including the constitution of the Board and Committees thereof.

The Corporate Governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team, and the constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As of the date of this Red Herring Prospectus, there are 5 (Five) Directors on our Board out of which 2 (two) are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to the appointment of Independent Directors to our Board and the constitution of Board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015, and the Companies Act, 2013.

COMMITTEES OF OUR BOARD

The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:

- a) Audit Committee
- b) Stakeholders' Relationship Committee
- c) Nomination and Remuneration Committee
- d) Internal Complaints Committee
- e) Corporate Social Responsibility

Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on July 05, 2024.

The terms of reference of the Audit Committee adhere to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

| Sr. No. | Name of Director | Status in Committee | Nature of Directorship |
|---------|---------------------|---------------------|------------------------|
| 1 | Mr. Jay Kumar Shaw | Chairperson | Independent Director |
| 2 | Ms. Shweta Bansal | Member | Independent Director |
| 3 | Mr. Sawar Mal Goyal | Member | Managing Director |

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions, and terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulation, 2015.

Meetings of the Audit Committee and Quorum

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- a) To investigate any activity within its terms of reference;
- b) To seek information from any employee;
- c) To obtain outside legal or other professional advice; and
- d) To secure the attendance of outsiders with relevant expertise, if it is considered necessary.

Role of Audit Committee

The role of the Audit Committee shall include the following:

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- b) Recommending to the Board the appointment, re-appointment and replacement, remuneration, and terms of appointment of statutory auditor of the Company;
- c) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of the audit process;
- d) Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
- e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013, as amended;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by the management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions; and
 - vii. Qualifications / modified opinion(s) in the draft audit report.
- f) Reviewing, with the management, the quarterly, half-yearly, and annual financial statements before submission to the board for approval;
- g) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- h) Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;
- i) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- j) Scrutinizing of inter-corporate loans and investments;
- k) Valuing of undertakings or assets of the Company, wherever it is necessary;
- l) Evaluating internal financial controls and risk management systems;
- m) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- n) Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
- o) Reviewing the adequacy of the 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;
- p) Discussing with internal auditors any significant findings and follow up there on;
- q) 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;
- r) Discussing with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
- s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends), and creditors;
- t) Reviewing the functioning of the whistle-blower mechanism;
- u) Approving the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience background, etc. of the candidate; and
- v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.
- w) 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
- x) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

Further, the Audit Committee shall mandatorily review the following information:

- a) management discussion and analysis of financial condition and results of operations;
- b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) management letters/letters of internal control weaknesses issued by the statutory auditors;
- d) internal audit reports relating to internal control weaknesses; and
- e) the appointment, removal, and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

- f) statement of deviations: (a) quarterly statement of deviation(s) including the 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).

Stakeholders Relationship Committee

Our Company has constituted a shareholder/investors grievance committee “Stakeholders’ Relationship Committee” to redress complaints of the shareholders. The Stakeholders’ Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on July 05, 2024 and was further reconstituted on February 10, 2025

The Stakeholders’ Relationship Committee comprises:

| Sr. No. | Name of Director | Status in Committee | Nature of Directorship |
|----------------|-------------------------|----------------------------|-------------------------------|
| 1 | Ms. Shweta Bansal | Chairperson | Independent Director |
| 2 | Mr. Manoj Dalmia | Member | Non-Executive Director |
| 3 | Mr. Sawar Mal Goyal | Member | Managing Director |

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders’ Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders’ Relationship Committee and its terms of reference shall include the following:

Tenure

The Stakeholder’s Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder’s Relationship Committee as approved by the Board.

Meetings

The Stakeholder’s Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

Role of the Stakeholders’ Relationship Committee

The Committee shall consider and resolve grievances of security holders, including but not limited to:

- Efficient transfer of shares including review of cases for refusal of transfer/transmission of shares and debentures;
- Redressing of shareholders and investor complaints such as non-receipt of declared dividends, annual reports, transfer of Equity Shares, and issue of duplicate/split/consolidated share certificates;
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting, and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/transmission of shares and debentures;
- Allotment and listing of shares in the future;
- Review of cases for refusal of transfer/transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- Ensure proper and timely attendance and redressal of investor queries and grievances; and
- To do all such acts, things, or deeds as may be necessary or incidental to the exercise of the above powers.

Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on July 05, 2024 and was further reconstituted on February 10, 2025

The Nomination and Remuneration Committee comprises the following Directors:

| Sr. No. | Name of Director | Status in Committee | Nature of Directorship |
|---------|--------------------|---------------------|------------------------|
| 1 | Mr. Jay Kumar Shaw | Chairman | Independent Director |
| 2 | Ms. Shweta Bansal | Member | Independent Director |
| 3 | Mr. Manoj Dalmia | Member | Non-Executive Director |

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

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

Tenure

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

Meetings

The committee shall meet as and when the need arises for a review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one-third of the members of the committee, whichever is greater, including at least one independent director in attendance.

The role of the Nomination and Remuneration Committee is not limited to but includes the:

- a) Formulating the criteria for determining qualifications, positive attributes, and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel, and other employees;
- b) Formulating criteria for evaluation of the performance of independent Directors and the Board;
- c) Devising a policy on Board diversity;
- d) Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
- e) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- f) Analyzing, monitoring, and reviewing various human resource and compensation matters;
- g) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- h) Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), usually consisting of a fixed and variable component;
- i) Reviewing and approving compensation strategy from time to time in the context of the then-current Indian market in accordance with applicable laws;
- j) Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;
- k) Framing suitable policies, procedures, and systems to ensure that there is no violation, by an employee id any applicable laws in India or Overseas, including:
 - i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable."
- l) Performing such other activities as may be delegated by the Board of Directors and/or specified/provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

Internal Complaints Committee

An Internal Complaints Committee is constituted for our Company by the Board to look into the matters concerning sexual harassment pursuant to the resolution of the Board of Directors dated July 05, 2024 and was further reconstituted on February 10, 2025. The Internal Complaints consists of the following members.

| Sr. No. | Name | Status in Committee | Nature of Membership | Gender |
|---------|----------------------|--------------------------------|----------------------|--------|
| 1. | Ms. Shalu Goyal | Presiding Officer- Designation | Employee | Female |
| 2. | Mr. Ashok Kumar | Member | Employee | Male |
| 3. | Ms. Sakshi Sareen | Member | Employee | Female |
| 4. | Ms. Varsha Agarwalla | External Member | NGO member | Female |

A complainant can approach any member of the committee with their written complaint.

Tenure

The President and other members of the committee shall hold office for such period, not exceeding 3 (three) years, from the date of their nomination as may be specified by the employer.

Scope

This policy is applicable to employees, workers, volunteers, probationers, and trainees including those on deputation, part-time, contract, working as consultants, or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

Where the alleged incident occurs to our employee by a third party while on duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

What Constitutes Sexual Harassment

Sexual Harassment means such unwelcome sexually determined behavior (directly or through implication), like physical contact and advances by the employee(s) including:

- A demand or request for sexual favors, sexually colored remarks, showing pornography, any other unwelcome physical conduct of a sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs;
- Eve teasing, innuendos and taunts, physical confinement against one's will;
- A demand or request for sexual favors, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion/evaluation of work thereby denying an individual equal opportunity at employment;
- An act or conduct by a person in authority that makes the environment at the workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;
- Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);
- Any other behaviours that an individual perceives as having sexual overtones.

Redressal Mechanism:

Once the complaint is received by the Committee:

- The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.

- b) The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation.
- c) The Committee shall provide copies of the settlement as recorded during conciliation to the aggrieved employee and the respondent.
- d) If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.
- e) The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.
- f) The Committee shall call upon all witnesses mentioned by both the parties.
- g) The Committee can ask for specific documents from a person if it feels that they are important for the purpose of the investigation.
- h) The complainant has the option to seek transfer or leave so that the inquiry process can continue smoothly and to prevent the recurrence of similar situations or discomfort to the complainant. The leave can be extended for a maximum period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health, and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

- i. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.
 - a) The report of the investigation shall be supplied to the employer (or the District Officer), the accused, and the complainant within 10 days of completion of the investigation.
 - b) The employer or the District Officer will act on the recommendations of the Committee within 60 days of the receipt of the report.
- ii. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent, and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee, and the action taken by the employer shall not be published, communicated or made known to the public, press, and media in any manner

Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 days of the recommendation being given to the employer / District Officer.

Disciplinary Action:

Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension, or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found through evidence by the Committee that the complainant has maliciously given a false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness is not victimized or discriminated against

by the accused. Any unwarranted pressures, retaliatory, or any other type of unethical behaviour by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

This policy shall be disseminated to each employee of the Company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee shall formulate and recommend a CSR policy to the Board, the Company has constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board of Directors dated July 05, 2024. The Corporate Social Responsibility Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company, monitor the CSR policy of the Company from time to time and establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company as per the requirements of the Companies Act, 2013, Listing Agreement and SEBI LODR for Corporate Governance.

The Corporate Social Responsibility Committee comprises the following members:

| Sr. No. | Name of Director | Status in Committee | Nature of Directorship |
|----------------|-------------------------|----------------------------|-------------------------------|
| 1 | Mr. Jay Kumar Shaw | Chairman | Independent Director |
| 2 | Mr. Sawar Mal Goyal | Member | Managing Director |
| 3 | Mr. Ananya Goyal | Member | Executive Director |

Role of the Corporate Social Responsibility Committee not limited to but includes:

We further confirm that at least one Director is an Independent Director.

Company Secretary & Compliance Officer of our Company shall act as the secretary to the Corporate Social Responsibility Committee.

Measures

In the aforesaid backdrop, policy on Silky Overseas Limited is broadly framed taking into account the following measures:

The CSR activities shall be undertaken by Silky Overseas Limited, as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Silky Overseas Limited employees or their family members shall not be considered as CSR activity.

Silky Overseas Limited shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board of Silky Overseas Limited may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The following is the list of CSR projects or programs which Silky Overseas Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports

(viii) contribution to the prime minister's national relief fund 8[or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) rural development projects

(xi) slum area development

(xii) disaster management, including relief, rehabilitation and reconstruction activities

Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

Organisational mechanism and responsibilities

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three or more directors, out of which at least one director shall be an independent director.

The CSR Committee shall –

- a) Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
- b) Recommend the amount of expenditure to be incurred on the activities; and
- c) Monitor the Policy of the company from time to time.

The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

Silky Overseas Limited provide the vision under the leadership of its Managing Director, Mr. Sawar mal Goyal.

At the Company, the Managing Director takes on the role of the mentor, while the onus for the successful and time bound implementation of the CSR activities / projects is on the HR Head and CSR teams.

To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

Activities, setting measurable targets with timeframes and performance management:

Prior to the commencement of CSR activities / projects, we carry out a baseline study of the nearby area / villages of the Company's Site Locations.

The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, and population data – below the poverty line and above the poverty line, state of infrastructure, among others.

From the data generated, a 1-year plan and a 5-year rolling plan are developed for the holistic and integrated development of the affected people.

All activities / projects of CSR are assessed under the agreed strategy, and are monitored every quarter / year, measured against targets and budgets. Wherever necessary, midcourse corrections are made.

Budgets

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be any one Director or the Managing Director / Chief Financial Officer of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") will be applicable to our Company immediately upon the listing of its Equity Shares on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, the Board of Directors has formulated and adopted the code of conduct to regulate, monitor, and report trading by its employees and other connected persons.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, and procedures, monitoring and adherence to the rules for the preservation of price-sensitive information, and the implementation of the Code of Conduct under the overall supervision of the board.

OUR KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

| Sr. No | Name of the KMPs | Designation |
|--------|---------------------|--|
| 1. | Mr. Sawar Mal Goyal | Managing Director |
| 2. | Mr. Ananya Goyal | Whole-Time Director |
| 3. | Ms. Sakshi Sareen | Company Secretary & Compliance Officer |
| 4. | Mr. Amalendu Kumar | Chief Financial Officer |

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL:

Mr. Sawar Mal Goyal–Managing Director & Chairman

Mr. Sawar Mal Goyal is the Managing Director and Chairman of our Company. For details, see **“Brief Profile of our Director”**, and see **“Our Management”** chapter beginning on the page 166 of this Red Herring Prospectus.

Mr. Ananya Goyal– Whole-Time Director

Mr. Ananya Goyal is the Whole-Time Director of our Company. For details, see **“Brief Profile of our Director”**, and see **“Our Management”** chapter beginning on the page 166 of this Red Herring Prospectus.

Mr. Amalendu Kumar, Chief Financial Officer

Mr. Amalendu Kumar, aged 39, serves as the Chief Financial Officer of our Company. He was appointed to this position by the Board of Directors effective June 2, 2024. Mr. Kumar holds a Bachelor of Commerce degree from Patna University and a Bachelor of Laws (LLB) from Harlal School of Law in Greater Noida. With 7 years of experience in finance, he has worked at Srige DLM Limited and AMTEK Auto Limited before joining our company. In his role, Mr. Kumar has conducted thorough financial analysis to assist and has prepared detailed financial reports.

He conducted detailed financial analyses to support decision -making and prepared comprehensive financial reports. His proficiency in financial management and analytical skills significantly contributed to the company’s financial success.

| | |
|--|--|
| Term of Office with Expiration Date | Appointed as Chief Financial Officer with effect from June 02, 2024. |
| Details of service contract | Not Applicable |
| Function and areas of experience | Responsible for complying with provisions, regulations, and acts related to tax and Finance to the company |

Ms. Sakshi Sareen– Company Secretary & Compliance Officer

Ms. Sakshi Sareen, aged 32 years, is the Company Secretary & Compliance Officer of our Company. She was appointed as the Company Secretary & Compliance Officer of our Company at the meeting of the Board of Directors with effect from January 27, 2024. She is a Member of the Institute of Company Secretaries of India having Membership No. ACS (53583) and has an experience of more than 3 years in this field Ms. Sareen has also previously worked with Kamaindia Private Limited. She is currently responsible for the overall Corporate Governance and secretarial Compliance of our Company

| | |
|--|--|
| Term of Office with Expiration Date | Appointed as Company Secretary & Compliance Officer with effect from January 27, 2024. |
| Details of service contract | Not Applicable |
| Function and areas of experience | Responsible for complying with provisions, regulations, and acts applicable to the company |

STATUS OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

All our Key Managerial Personnel and senior are permanent employees of our Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except as stated below, none of the above-mentioned key managerial personnel and senior management are related to each other. There are no arrangements or understanding with major shareholders, customers, suppliers, or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

| Sr. No | Name of the KMP/ Senior Management | Name of the KMP/ Senior Management | Relationship |
|---------------|---|---|---------------------|
| 1. | Mr. Sawar Mal Goyal | Mr. Ananya Goyal | Father- Son |

RELATIONSHIP OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)/SENIOR MANAGEMENT

Except as stated below, none of the above-mentioned key managerial personnel or senior management are related to our Promoters or Directors. Further, there are no arrangements or understanding with major shareholders, customers, suppliers, or others, pursuant to which any of the Key Managerial Personnel or senior management were selected as members of our senior management.

| Sr. No | Name of the KMP/ Senior Management | Name of the Director | Relationship |
|---------------|---|-----------------------------|---------------------|
| 1. | Mr. Sawar Mal Goyal | Mr. Ananya Goyal | Father- Son |

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

As of the date of this Red Herring Prospectus, except as stated below, our Key Managerial Personnel do not hold any number of Equity Shares of our Company.

| Sr. No. | Name of Key Managerial Personnel | No. of Equity Shares Held (Pre-Issue) | % of pre-Issue capital |
|---------|----------------------------------|---------------------------------------|------------------------|
| 1. | Mr. Sawar Mal Goyal | 27,54,200 | 61.73 |
| 2. | Mr. Ananya Goyal | 9,00,000 | 20.17 |
| 3. | Mr. Amalendu Kumar | - | - |
| 4. | Ms. Sakshi Sareen | - | - |
| | Total | 36,54,200 | 81.90 |

REMUNERATION / COMPENSATION TO OUR KMPs

Set forth below is the remuneration paid by our Company to our KMPs:

(₹ in Lakhs)

| Sr. No. | Name of KMPs | Designation | Remuneration For The Year Ended March 31, 2024 | Remuneration For The Period ended January 31, 2025 |
|---------|---------------------|---|--|--|
| 1. | Mr. Sawar Mal Goyal | Chairman, Managing Director* | 30.00 | 25.00 |
| 2. | Mr. Ananya Goyal | Whole-Time Director** | 13.20 | 11.00 |
| 3. | Ms. Sakshi Sareen | Company Secretary & Compliance Officer*** | 1.35 | 4.00 |
| 4. | Mr. Amalendu Kumar | Chief Financial Officer**** | - | 4.50 |
| | Total | | 44.55 | 44.50 |

*Appointed as Managing Director w.e.f. June 11, 2024.

** Appointed as Whole time Director w.e.f. June 11, 2024.

***Appointed as Company Secretary & Compliance Officer w.e.f. January 27, 2024.

**** Appointed as Chief Financial Officer w.e.f. June 2, 2024.

The aforementioned KMPs are on the payrolls of our Company as permanent employees.

BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL

As of the date of this Red Herring Prospectus, our Company does not have any performance-linked bonus or profit-sharing plan with any of our Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation as of the date of this Red Herring Prospectus.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as stated in this Red Herring Prospectus, there is no loan outstanding against Key Managerial Personnel as of the date of this Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have an interest in our Company to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and may also be interested in the extent of Equity Shares held by them in our Company if any and dividends payable thereon, if any. *Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated in the heading titled “Related Party Transactions” under the Section titled “Financial Statements as Restated” beginning on the page 195 of this Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.*

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Red Herring Prospectus:

| Sr. No. | Name | Date of Event | Designation | Reason |
|---------|---------------------|------------------|---|-------------------------------|
| 1. | Ms. Sakshi Sareen | January 27, 2024 | Appointed as Company Secretary and Compliance Officer | Organizational Re-structuring |
| 2. | Mr. Amalendu Kumar | June 02, 2024 | Appointed as Chief Financial Officer | |
| 3. | Mr. Sawar Mal Goyal | June 11, 2024 | Appointed as Chairman and Managing Director | |
| 4. | Mr. Ananya Goyal | June 11, 2024 | Appointed as Whole-Time Director | |

EMPLOYEES STOCK OPTION SCHEME

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as of the date of filing of this Red Herring Prospectus.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except as stated in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled ***“Financial Statements as Restated”*** beginning on the page 195 of this Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoter.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers, or others. For more information, please refer to the chapter titled ***“Our History and Certain Other Corporate Matters”*** beginning on the page 162 of this Red Herring Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are Mr. Sawar Mal Goyal, Mr. Ananya Goyal and M/s. S. M. Goyal and Sons (HUF).

As of the date of this Red Herring Prospectus, Our Promoters hold an aggregate 38,54,200 of Equity Shares, representing 86.38% of the Pre-Issue Issued, Subscribed, and Paid-up Equity Share Capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by our Promoters*", on page 77 of this Red Herring Prospectus.

BRIEF PROFILE OF OUR INDIVIDUAL PROMOTER



Mr. Sawar Mal Goyal, aged 62 years was the first director and is the Promoter of the Company and later was appointed as Managing Director Chairman of the Company for a period of five years w.e.f. June 11, 2024, up to June 10, 2029. He is the Director of the company since Incorporation of the Company w.e.f. May 01, 2016. He has more than 15 years of experience in business and also has working experience in stainless steel business as a beginner He has worked with Ananya Foils Private Limited, where his expertise further expanded, contributing to the company's growth in the metals sector. Additionally, as a Proprietor at Goyal Impex, Mr. Goyal gained valuable experience managing operations and fostering key business relationships, further honing his entrepreneurial skills. He has been responsible for the company's expansion and overall management since its inception. He plays a key role in developing and implementing business strategies, ensuring alignment with corporate values and objectives.

Qualification: Senior Secondary

Date of Birth: November 04, 1962

Age: 62 Years


Residential Address: House No. 44, Engineers Enclave, Pitampura, Saraswati Vihar, North West, Delhi -110034

Nationality: Indian

PAN: AAEPG9000C

Directorship Held: NIL

*For the complete profile of Mr. Sawar Mal Goyal, - educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements, and business and financial activities, see "**Our Management**" on the page 166 of this Red Herring Prospectus.*

| | |
|---|--|
|  | <p>Mr. Ananya Goyal, aged 30 years, was the first director and is the Promoter and Whole-Time Director of the Company. He was appointed as Director w.e.f. May 01, 2016. Further, He was designated as Whole-Time Director w.e.f. June 11, 2024, for a period of 5 consecutive years, Mr. Goyal plays a crucial role in executing the company's vision and ensuring its day-to-day management aligns with strategic goals. He has completed his degree of BSC (Hons) Business and Management in the year 2015. He has more than 08 years of experience which extends to various roles at AIESEC, The Waxpol Industries Limited, and ICICI Prudential Life Insurance. He holds a key executive position within the company, responsible for driving operational efficiency, strategic growth, and overall corporate governance. He oversees the daily manufacturing of blankets, manages a staff of the company, and controls the procurement of raw materials, production, and distribution channels. Additionally, he directly manages client relationships and is responsible for coordinating and approving budgets for product development, marketing, overhead, and company growth</p> <p>Qualification: Graduate</p> <p>Date of Birth: July 03, 1994</p> <p>Age: 30 Years</p> <p>Residential Address: House No. 44, Engineers Enclave, Pitampura, Saraswati Vihar, North West, Delhi -110034</p> <p>Nationality: Indian</p> <p>PAN: BFIPG3576F</p> <p>Directorship Held: Nil</p> |
|---|--|

For the complete profile of Mr. Ananya Goyal, - educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements, and business and financial activities, see **"Our Management"** on the page 166 of this Red Herring Prospectus.

DECLARATION

We declare and confirm that the details of the Permanent Account Number, Aadhaar Card Number and Driving License Number, Passport Number, and Bank Account Number of our individual Promoters will be submitted to the Stock Exchange i.e., National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed at the time of filing this Red Herring Prospectus

BRIEF PROFILE OF OUR NON-INDIVIDUAL PROMOTER

M/s. S.M. Goyal & Sons (HUF)

| | |
|--|--|
| Date of Formation | August 30, 1990 |
| PAN | AAHS8507A |
| Registered Address | 44 Engineers Enclave, Pitampura, Delhi 110034, India. |
| Name of Bank & Bank Account No. | HDFC Bank Limited, Delhi A/c. No. 5010016744520 |
| Details of Members | Mr. Sawar Mal Goyal (Karta) Mr. Ananya Goyal (Co-parcener) Ms. Rishika Goyal (Co-parcener) |

DECLARATION

We declare and confirm that the details of the Permanent Account Number and Bank Account Number of our Non-Individual Promoter will be submitted to the Stock Exchange i.e., National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed at the time of filing this Red Herring Prospectus.

UNDERTAKING / CONFIRMATIONS

None of our Promoter or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling, or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past year in respect of our Promoters, Group Company, and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture/bond / fixed deposit holders, banks, and FIs by our Company, our Promoters, Group Company, and Company promoted by the promoters during the past three years.
- The litigation record, the nature of litigation, and the status of litigation of our Company, Promoters, Group company, and Company promoted by the Promoters are disclosed in the chapter titled ***“Outstanding Litigations and Material Developments”*** beginning on the page 217 of this Red Herring Prospectus.
- None of our Promoter persons in control of our Company are or have ever been promoters, directors, or persons in control of any other company that is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

CHANGE IN CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the three years immediately preceding the date of this Red Herring Prospectus.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to the experience of our Promoters in the business of our Company, please refer to the chapter ***“Our Management”*** beginning on the page 166 of this Red Herring Prospectus.

INTEREST OF OUR PROMOTER

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, and (ii) to the extent of their shareholding in our Company. *For details on the shareholding of our Promoters in our Company, see “Capital Structure” on page 77 of this Red Herring Prospectus.*

Except as stated otherwise in this Red Herring Prospectus, we have not entered into any contract, agreements, or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements, or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. *For further details, please refer to the section titled “Related Party Transactions” in the chapter “Financial Statements as Restated” on the page 195 of this Red Herring Prospectus.*

Interest in the promotion of our Company

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest in the property, land, construction of building, supply of machinery, etc.

Except as mentioned in the chapter titled ***“Our Business”*** beginning on page 123 of this Red Herring Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 2 (two) years before filing of this Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Interest in our Company arising out of being a member of a firm or company

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

Interest in our Company other than as a Promoter

Except as mentioned in this chapter and chapters titled “Our Business”, “History and Certain Corporate Matters”, “Our Management” and “Restated Financial Statements” beginning on pages 123, 162, 166 and, 195 respectively, our Promoters do not have any other interest in our Company.

Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years

Except as stated above in chapter “Financial Statements as Restated” beginning on the page 195 of this Red Herring Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of the filing of this Red Herring Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

COMMON PURSUITS OF OUR PROMOTER

Our Promoters is not involved with any ventures which are in the same line of activity or business as that of our Company.

MATERIAL GUARANTEES GIVEN TO THIRD PARTIES

Except as stated in the “Financial Statements as Restated” beginning on the page 195 of this Red Herring Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

EXPERIENCE OF PROMOTERS IN THE LINE OF BUSINESS

Our Promoters are well experienced in the Company’s line of business. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of the shareholding of members of our Promoter Group as of the date of this Red Herring Prospectus, please see the chapter titled “Capital Structure – Notes to Capital Structure” beginning on the page 77 of this Red Herring Prospectus.

LITIGATION INVOLVING OUR PROMOTER

For details relating to legal proceedings involving the Promoters, please refer to “Outstanding Litigation and Material Developments” beginning on the page 217 of this Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

Except as stated in “Annexure XXIX–“Related Party Transactions” beginning on the page 194 of this Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms, or entities during the last three years preceding the date of this Red Herring Prospectus.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 is as under:

A. Natural Persons who form part of our Promoter Group:

| Promoter | Mr. Sawar Mal Goyal | Mr. Ananya Goyal |
|------------------------|-----------------------------|---------------------|
| Relation with Promoter | | |
| Father | Late Deen Dayal Goyal | Mr. Sawar Mal Goyal |
| Mother | Ms. Ramkali Goyal | Late Shalini Goyal |
| Spouse | Late Shalini Goyal | - |
| Brother(s) | Mr. Shyam Goyal | - |
| | Mr. Sanjay Goyal | - |
| | Mr. Ashok Kumar Aggarwal | - |
| Sister(s) | Ms. Vijanti Parmanandka | Ms. Rishika Goyal |
| | Ms. Sulochana Devi Aggarwal | - |
| Son(s) | Ms. Ananya Goyal | - |
| Daughter(s) | Ms. Rishika Goyal | - |
| Spouse's Father | Late Ramniwas Kataruka | - |
| Spouse's Mother | Late Bimla Kataruka | - |
| Spouse's Brother(s) | Mr. Kaushik Kataruka | - |
| Spouse's Sister(s) | - | - |

B. Entities forming part of the Promoter Group:

1. M/s. S. M. Goyal & Sons (HUF)

C. In case the promoter is a Body of Corporate: N.A.

| Sr. No. | Nature of Relationship | Name of the Promoter Entities / Company |
|---------|--|---|
| 1. | Subsidiary or holding company of Promoter Company | Nil |
| 2. | Any Body corporate in which the promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate). | Nil |

D. In case the promoter is an Individual:

| Sr. No. | Nature of Relationship | Entity |
|---------|--|--|
| 1. | Any Body Corporate in which 20% or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relatives is a member. | <ul style="list-style-type: none"> Aanya Polyfilms Private Limited Agarwal Polyfilms LLP Marine Oil & Gas Private Limited Discovery Enterprises Private Limited Shree Balaji Poly Films Private Limited |
| 2. | Any Body Corporate in which Body Corporate as provided above holds 20% or more of the equity share capital. | Nil |
| 3. | Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%. | S. M. Goyal & Sons (HUF) |

E. All persons whose shareholding is aggregated under the heading "shareholding of the Promoter Group":

The following persons form part of the promoter group for the purpose of shareholding of the Promoter Group under 2(1)(pp)(v) of SEBI (ICDR) Regulations 2018:

- Ms. Shalu Goyal
- Ms. Soumya Goyal

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those companies as our Group Company (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Company as considered material by our Board.

Further, pursuant to a resolution of our Board dated July 05, 2024, for the purpose of disclosure in relation to the Group company in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfills both the below-mentioned conditions: -

- a) the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (“Restated Financial Statements”); or
- b) if such a company fulfills both the below-mentioned conditions: -
 - i. such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI(ICDR) Regulations; and
 - ii. the Company has entered into one or more transactions with such company in the preceding fiscal or audit period as the case may be exceeding 10.00% of the total revenue of the Company as per Restated Financial Statements.

Accordingly, based on the parameters outlined above, as of the date of this Red Herring Prospectus, there are no companies/entities falling under the definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company/entity (“Group Company”).

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by the majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared out of the undistributed profits or reserves of the previous years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013.

Our Company does not have a formal dividend policy for the declaration of dividends in respect of Equity shares. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations, and restrictions, the terms of the credit facilities, and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

For details of risks in relation to our capability to pay dividend, see “Risk Factor” on page 34. Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

RELATED PARTY TRANSACTIONS

*For details on Related Party Transactions of our Company, please refer to Annexure XXIX of the section titled “**Financial Statements as Restated**” beginning on page 195 of this Red Herring Prospectus.*

SECTION IX: FINANCIAL INFORMATION

FINANCIAL STATEMENTS AS RESTATED

| Sr. No. | Particulars | Page |
|----------------|-------------------------------|-------------|
| 1 | Restated Financial Statements | F-1 to F-33 |

**Examination Report on The Restated Financial Statements of
Silky Overseas Limited**

Examination Report on the Restated Statement of Assets and Liabilities as on January 31, 2025, March 31, 2024; March 31, 2023 and March 31, 2022, Statement of Profit & Loss and Cash Flow for ten months period ended on January 31, 2025, the financial years ending on March 31, 2024, 2023 and 2022 of Silky Overseas Limited

To,
The Board of Directors,
Silky Overseas Limited
(FORMERLY known as Silky Overseas private Limited)
F-1, Plot No. A-48, First floor, BLK-A, Wazirpur Industrial Area, Delhi- 110052

Dear Sirs,

- 1) We have examined the attached Restated Summary Statements and Other Financial Information of **Silky Overseas Limited** (Formerly known as ‘Silky Overseas Private Limited’), for ten months period ended on January 31, 2025 and the financial years ended March 31, 2024, 2023 and 2022 (collectively referred to as the **“Restated Summary Statements”** or **“Restated Financial Statements”**) as duly approved by the Board of Directors of the Company.
- 2) The said Restated Financial Statements and other Financial Information have been examined and prepared for the purpose of inclusion in the Draft Prospectus/Prospectus (collectively hereinafter referred to as “Offer Document”) in connection with the proposed Initial Public Offering (IPO) on EMERGE Platform of NSE Limited (“NSE EMERGE”) of the company taking into consideration the followings and in accordance with the following requirements of:
 - Section 26 and 32 of Part I of Chapter III to the Companies Act, 2013 (“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time.
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations), 2018 (the ‘SEBI ICDR Regulations’) as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992;
 - The Guidance Note on Reports in Company Draft Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“ICAI”) (“Guidance Note”);
 - The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and
 - The terms of reference to our engagement letter with the company dated June 10, 2024, requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on EMERGE Platform of NSE Limited (“NSE EMERGE”) (“IPO” or “SME IPO”).
- 3) These Restated Financial Information (included in Annexure I to XLIV) have been extracted by the Management of the Company from:

The Company’s Financial Statements for ten months period ended on January 31, 2025 and the financial years ended March 31, 2024, 2023 and 2022 which have been approved by the Board of Directors at their meeting respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Statements, are the responsibility of the Company’s Management. The Financial Statement of the Company for ten months period ended January 31, 2025 the financial year ended March 31, 2024, have been audited by M/s. Manish Pandey & Associates, Chartered Accountants and for the financial years ended March 31, 2023, and March 31, 2022, have been audited by M/S. Virendra & Associates, Chartered Accountants and had issued unqualified reports for these years.

- 4) In accordance with the requirement of Section 26 and 32 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:
- (a) The **Restated Statement of Assets and Liabilities** as on January 31, 2025 and March 31, 2024, 2023 and 2022 examined by us, as set out in **Annexure I** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XLIV to this Report.
 - (b) The **Restated Statement of Profit and Loss** of the Company for ten month period ended January 31, 2025 and for the financial years ended March 31, 2024, 2023 and 2022 examined by us, as set out in **Annexure II** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XLIV to this Report.
 - (c) The **Restated Statement of Cash Flows** of the Company for ten month period ended January 31, 2025 and for the financial years ended March 31, 2024, 2023 and 2022, examined by us, as set out in **Annexure III** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flows have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XLIV to this Report.

As a result of these adjustments, the amounts reported in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

- 5) Based on the above, as per the reliance placed by us on the audited financial statements of the Company and report thereon given by us, for ten months period ended January 31, 2025 and the year ended March 31, 2024 and by the then Statutory Auditor of the Company M/s Virendra & Associates for the financial years ended March 31, 2023 and 2022, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Statement:
- (a) 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 policies for all the reporting periods based on the significant accounting policies adopted by the Company as of January 31, 2025.
 - (b) have been made after incorporating adjustments for prior period and other material amounts, if any, in the respective financial years to which they relate to;
 - (c) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Statement and do not contain any qualification requiring adjustments.
 - (d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for ten months period ended January 31, 2025 and the financial years ended March 31, 2024, 2023 and 2022 which would require adjustments in this Restated Financial Statements of the Company.
 - (e) Restated Summary Statement of Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XLIV to this report.

- (f) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,
 - (g) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements.
 - (h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements.
- 6) We have also examined the following other Restated Financial Information as set out in the respective Annexure's to this report and forming part of the Restated Financial Statement, prepared by the management of the Company and approved by the Board of Directors of the company for ten months period ended January 31, 2025 and the financial years ended March 31, 2024, 2023 and 2022 proposed to be included in the Draft Red Hearing/Red Hearing/Prospectus ("Offer Document") for the proposed IPO:
- 1. Statement of Assets & Liabilities, as restated in **Annexure I** to this report.
 - 2. Statement of Profit & Loss, as restated in **Annexure II** to this report.
 - 3. Statement of Cash Flow, as restated in **Annexure III** to this report.
 - 4. Statement of Significant Accounting Policies & Explanatory Notes on Financial Statement, as restated in **Annexure IV** to this report.
 - 5. Statement of Share Capital, as restated in **Annexure V** to this report.
 - 6. Statement of Reserves & Surplus, as restated in **Annexure VI** to this report
 - 7. Statement of Long-Term Borrowings, as restated in **Annexure VII** to this report.
 - 8. Statement of Other Non-Current Liabilities, as restated in **Annexure VIII** to this report
 - 9. Statement of Long-Term & Short-Term Provisions as restated in **Annexure IX** to this report.
 - 10. Statement of Short-Term Borrowings as restated in **Annexure X** to this report.
 - 11. Statement of Trade Payables as restated in **Annexure XI** to this report.
 - 12. Statement of Other Current Liabilities as restated in **Annexure XII** to this report.
 - 13. Statement of Deferred Tax Assets (Net) as restated in **Annexure XIII** to this report.
 - 14. Statement of Other Non-Current Assets as restated in **Annexure XIV** to this report
 - 15. Statement of Inventories as restated in **Annexure XV** to this report.
 - 16. Statement of Cash and Cash Equivalents as restated in **Annexure XVI** to this report.
 - 17. Statement of Short-Term Loans & Advance as restated in **Annexure XVII** to this report.
 - 18. Statement of Trade Receivables as restated in **Annexure XVIII** to this report.
 - 19. Statement of Other Current Assets as restated in **Annexure XIX** to this report.
 - 20. Statement of Revenue from Operations as restated in **Annexure XX** to this report.
 - 21. Statement of Other Income as restated in **Annexure XXI** to this report.
 - 22. Statement of Cost of Material Consumed as restated in **Annexure XXII** to this report.
 - 23. Statement of Purchase of Stock in Trade as restated in **Annexure XXIII** to this report.
 - 24. Statement of Change in Inventories of WIP & finished Goods as restated in **Annexure XXIV** to this report.
 - 25. Statement of Employee Benefit Expenses as restated in **Annexure XXV** to this report.
 - 26. Statement of Finance Cost as restated in **Annexure XXVI** to this report.
 - 27. Statement of Property, Plant & Equipment and Intangible Assets as restated in **Annexure XXVII** to this report.
 - 28. Statement of Other Expenses, as restated in **Annexure XXVIII** to this report.
 - 29. Statement of Related Party Transactions as restated in **Annexure XXIX** to this report
 - 30. Statement of Adjustments to financial Statements as restated in **Annexure XXX** to this report.
 - 31. Statement of capitalisation as restated in **Annexure XXXI** to this report.
 - 32. Statement of Other Financial Information as restated in **Annexure XXXII** to this report.
 - 33. Statement of Tax Shelter as restated in **Annexure XXXIII** to this report.
 - 34. Statement of Contingent Liability as restated in **Annexure XXXIV** to this report.
 - 35. Statement of Due to Micro, Small and Medium Enterprises as restated in **Annexure XXXV** to this report.
 - 36. Statement of Basic and Diluted EPS as restated in **Annexure XXXVI** to this report.

37. Statement of Payment to Auditors as restated in **Annexure XXXVII** to this report.
 38. Statement of Details of Earnings in Foreign Currency in **Annexure XXXVIII** to this report.
 39. Statement of Details of Expenditure in Foreign Currency in **Annexure XXXIX** to this report.
 40. Statement of Value of Imported and Indigenous Raw Material, Spares Part, and Capital Goods Consumed as restated in **Annexure XL** to this report.
 41. Statement of Accounting Ratios as restated in **Annexure XLI** to this report.
 42. Statement of Additional Regulatory Information as restated in **Annexure XLII** to this report.
 43. Statement of Principal Terms of Loans and Assets Charged as security as restated in **Annexure XLIII** to this report.
 44. Statement of Disclosure under AS 15 as restated in **Annexure XLIV** to this report
- 7) We, Manish Pandey & Associates, Chartered Accountants hold a valid peer review certificate issued by the “Peer Review Board” of the Institute of Chartered Accountants of India (“ICAI”).
 - 8) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above are the responsibility of the management of the Company.
 - 9) This report should not in any way be construed as a re-issuance or re-dating of any of the audit reports issued by Statutory Auditor, nor should this report be construed as an opinion on any of the Standalone Financial Information referred to herein.
 - 10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 - 11) In our opinion, the above Restated Financial Statements contained in **Annexure I to XLIV** to this report read along with the ‘Significant Accounting Policies and Notes to the Financial Statements’ appearing in **Annexure IV to XLIV** after making adjustments and regrouping/reclassification as considered appropriate and have been prepared in accordance with the provisions of Section 26 and 32 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.
 - 12) Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed SME IPO of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

**For Manish Pandey & Associates,
Chartered Accountants
Firm Registration No. 019807C**

Sd/-

**Ravinder Panwar
Partner**

Membership No. 549996

UDIN: 25549996BOOEAW7918

Place: Noida

Date: 23.06.2025

| | | | | | |
|--|---------------------|---|-------------------------|-------------------------|-------------------------|
| SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited) | | | | | |
| CIN - U17110DL2016PLC298888 | | | | | |
| F-1 , PLOT NO A-48,1ST FLOOR, BLK A, WAZIRPUR INDUSTRIAL AREA,DELHI,110052,DELHI | | | | | |
| STATEMENT OF ASSETS AND LIABILITIES AS RESTATED | | | | | |
| (All amounts are in Indian Rupees lakhs, except share data or as stated) | | | | | |
| | | | | | Annexure :- |
| | | | | | I |
| | Notes | As at January 31, 2025 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
| EQUITY AND LIABILITIES | | | | | |
| Shareholders' Funds | | | | | |
| Share Capital | V | 446.20 | 446.20 | 385.45 | 385.45 |
| Reserves and Surplus | VI | 1,984.88 | 1,067.81 | 75.09 | (26.38) |
| Total | | 2,431.08 | 1,514.02 | 460.54 | 359.07 |
| Non-current liabilities | | | | | |
| Long-term Borrowings | VII | 660.17 | 883.60 | 500.77 | 692.50 |
| Other Non Current Liabilities | VIII | - | - | - | 2.58 |
| Long-term Provisions | IX | 56.93 | 28.69 | 30.50 | 13.28 |
| Total | | 717.10 | 912.29 | 531.27 | 708.36 |
| Current liabilities | | | | | |
| Short-term Borrowings | X | 1,414.52 | 1,688.87 | 2,378.90 | 2,407.13 |
| Trade Payables | XI | | | | |
| - Due to Micro and Small Enterprises | | 36.99 | 0.53 | - | - |
| - Due to Others | | 1,726.58 | 638.83 | 366.48 | 112.20 |
| Short-term Provisions | IX | 350.99 | 225.89 | 39.20 | 6.30 |
| Other Current Liabilities | XII | 193.01 | 88.30 | 293.47 | 114.15 |
| Total | | 3,722.09 | 2,642.43 | 3,078.05 | 2,639.78 |
| Total Equity and Liabilities | | 6,870.28 | 5,068.73 | 4,069.86 | 3,707.21 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, Plant and Equipment and Intangible Assets | XXVII | | | | |
| -Property, Plant and Equipment | | 1,193.61 | 1,328.54 | 1,528.11 | 1,440.61 |
| -Intangible Assets | | - | - | - | - |
| -Capital Work-in-progress | | 19.94 | - | - | 315.00 |
| Deferred Tax Assets (Net) | XIII | 40.99 | 29.27 | 25.16 | 14.78 |
| Non-current Investments | | - | - | - | - |
| Long-term Loans and Advances | | - | - | - | - |
| Other Non-current Assets | XIV | 12.39 | 12.29 | 11.93 | 18.38 |
| Total | | 1,266.93 | 1,370.11 | 1,565.19 | 1,788.77 |
| Current assets | | | | | |
| Inventories | XV | 1,503.38 | 1,668.78 | 1,299.74 | 938.57 |
| Cash and cash equivalents | XVI | 4.45 | 4.55 | 20.22 | 40.48 |
| Short-term Loans and Advances | XVII | 2,160.70 | 1,116.51 | 188.54 | 123.18 |
| Trade Receivables | XVIII | 1,934.82 | 908.77 | 995.60 | 815.09 |
| Other Current Assets | XIX | - | - | 0.56 | 1.12 |
| | | 5,603.35 | 3,698.60 | 2,504.67 | 1,918.44 |
| Total Assets | | 6,870.28 | 5,068.73 | 4,069.86 | 3,707.21 |
| Significant accounting policies & Notes to accounts Annexure IV to XLIV | | | | | |
| The notes referred to above form an integral part of the financial statements | | | | | |
| As per our report of even date | | | | | |
| For Manish Pandey & Associates | | For and on behalf of the Board of Directors of SILKY OVERSEAS LIMITED | | | |
| Chartered Accountants | | | | | |
| Firm Registration No. 019807C | | | | | |
| | | | | | |
| Sd/- | Sd/- | Sd/- | | | |
| Ravinder Panwar | Sawar Mal Goyal | Ananya Goyal | | | |
| Partner | (Managing Director) | (Whole Time Director) | | | |
| Membership No. 549996 | DIN: 01896767 | DIN: 07492850 | | | |
| UDIN : 25549996BOOEAW7918 | | | | | |
| Place: Delhi | | | | | |
| Date: 23.06.2025 | Sd/- | Sd/- | | | |
| | Amalendu Kumar | Sakshi Sareen | | | |
| | (CFO) | (Company Secretary) | | | |
| | PAN- CMAPK0351C | PAN-CWCPS 9777A | | | |

SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited)

CIN - U17110DL2016PLC298888

F-1 , PLOT NO A-48,1ST FLOOR, BLK A, WAZIRPUR INDUSTRIAL AREA,DELHI,110052,DELHI

STATEMENT OF PROFIT & LOSS AS RESTATED

Annexure :-

II

(All amounts are in Indian Rupees lakhs, except share data or as stated)

| | | For ten months period ended January 31, 2025 | For the period ended March 31, 2024 | For the period ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------|--|--|--|--------------------------------------|
| INCOME | Notes | | | | |
| Revenue from Operations | XX | 10,501.15 | 6,970.49 | 6,830.76 | 5,012.10 |
| Other Income | XXI | 33.80 | 55.76 | 4.69 | 4.68 |
| Total Income | | 10,534.96 | 7,026.25 | 6,835.44 | 5,016.78 |
| Expenses | | | | | |
| Cost of Material Consumed | XXII | 5,799.17 | 5,644.75 | 5,849.50 | 4,438.92 |
| Purchase of Stock in Trade | XXIII | 2,332.48 | 580.62 | 176.31 | 568.36 |
| Change in Inventories of work in progress and finished goods | XXIV | 548.05 | (743.82) | (104.97) | (591.68) |
| Employee Benefit Expenses | XXV | 148.01 | 132.33 | 130.09 | 125.41 |
| Finance Costs | XXVI | 161.91 | 197.20 | 158.60 | 147.63 |
| Depreciation and Amortization Expenses | XXVII | 147.35 | 209.31 | 242.29 | 195.21 |
| Other Expenses | XXVIII | 160.19 | 255.14 | 236.23 | 173.17 |
| Total expenses | | 9,297.16 | 6,275.55 | 6,688.06 | 5,057.04 |
| Profit/(Loss) before Extraordinary item and Tax | | 1,237.80 | 750.70 | 147.38 | (40.26) |
| Prior period item | | 0.80 | - | (8.50) | (1.31) |
| CSR Expenses | | (5.72) | | | |
| Profit/(Loss) before Tax | | 1,232.88 | 750.70 | 138.88 | (41.57) |
| Tax Expenses | | | | | |
| -Current Tax | XXXIII | 328.92 | 201.34 | 51.04 | - |
| -Deferred Tax | | (11.71) | (4.12) | (10.38) | (5.44) |
| -Earlier Year Tax | | (1.40) | - | - | 5.64 |
| | | 315.81 | 197.22 | 40.66 | 0.20 |
| Profit/(Loss) for the year | | 917.07 | 553.48 | 98.22 | (41.77) |
| Share of profit/(loss) of Associate Companies | | - | - | - | - |
| Add/(Less): Minority Interest's share in profit/(loss) | | - | - | - | - |
| Profit/(Loss) for the year | | 917.07 | 553.48 | 98.22 | (41.77) |
| Earnings Per Share (Face Value per Share Rs.10 each) | | | | | |
| -Basic (In Rs) | XXXVI | 20.55 | 13.74 | 2.55 | (1.08) |
| -Diluted (In Rs) | XXXVI | 20.55 | 13.74 | 2.55 | (1.08) |

Significant accounting policies & Notes to accounts Annexure IV to XLIV

The notes referred to above form an integral part of the financial statements

As per our report of even date

For Manish Pandey & Associates

Chartered Accountants

Firm Registration No. 019807C

For and on behalf of the Board of Directors of SILKY OVERSEAS LIMITED

Sd/-

Ravinder Panwar

Partner

Membership No. 549996

UDIN : 25549996BOOEAW7918

Place: Delhi

Date: 23.06.2025

Sd/-

Sawar Mal Goyal

(Managing Director)

DIN: 01896767

Sd/-

Amalendu Kumar

(CFO)

PAN - CMAPK0351C

Sd/-

Ananya Goyal

(Whole Time Director)

DIN: 07492850

Sd/-

Sakshi Sareen

(Company Secretary)

PAN-CWCPS 9777A

SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited)

CIN - U17110DL2016PLC298888

F-1 , PLOT NO A-48,1ST FLOOR, BLK A, WAZIRPUR INDUSTRIAL AREA,DELHI,110052,DELHI

STATEMENT OF CASH FLOW AS RESTATED

Annexure :-

III

(All amounts are in Indian Rupees lakhs, except share data or as stated)

| Particulars | As on January 31, 2025 | As on March 31, 2024 | As on March 31, 2023 | As on March 31, 2022 |
|---|---------------------------|-------------------------|-------------------------|-------------------------|
| <u>A. Operating activities</u> | | | | |
| Profit before tax | 1,232.88 | 750.70 | 138.88 | (41.57) |
| Adjustments to reconcile profit/(loss) before tax to net cash flows: | | | | |
| Depreciation and amortisation expense | 147.35 | 209.31 | 242.29 | 195.21 |
| Finance Costs | 155.83 | 188.26 | 148.25 | 144.21 |
| Interest Income | (0.52) | 0.00 | (0.33) | (3.44) |
| Provision for Tax | (328.92) | (201.34) | (47.79) | (5.64) |
| Working capital adjustments: | | | | |
| Decrease/(Increase) in inventories | 165.39 | (369.03) | (361.17) | (633.18) |
| Decrease/(Increase) in trade receivable | (1,026.05) | 86.84 | (180.51) | (68.74) |
| Decrease/(Increase) in Other current assets | - | 0.56 | 0.56 | 5.23 |
| Decrease/(Increase) in non current assets | (0.10) | (0.36) | 6.45 | - |
| Increase/(Decrease) in Other Non current liabilities | - | - | (2.58) | - |
| Decrease/(Increase) in short loans and advances | (1,044.18) | (927.96) | (65.36) | 266.85 |
| Decrease/(Increase) in long loans and advances | - | - | - | 24.72 |
| Increase/(Decrease) in current provision | 236.25 | 217.49 | 44.90 | 2.44 |
| Increase/(Decrease) in Other current liabilities | 104.71 | (205.17) | 179.32 | 79.77 |
| Increase/(Decrease) in trade payables | 1,124.21 | 272.88 | 254.28 | 108.05 |
| Increase/(Decrease) in non current provision | 28.24 | (1.81) | 17.22 | 6.89 |
| Total cash from operations | 795.09 | 20.38 | 374.41 | 80.80 |
| Income taxes | (109.76) | (30.80) | (12.00) | - |
| Net Cash flow from operating Activities (A) | 685.33 | (10.42) | 362.41 | 80.80 |
| <u>B. Investing activities</u> | | | | |
| Purchase of property, plant and equipment | (32.35) | (16.20) | (14.79) | (573.37) |
| Sale of PPE | - | 6.45 | - | - |
| Interest received | 0.52 | (0.00) | 0.33 | 3.44 |
| Net cash used in investing activities (B) | (31.83) | (9.75) | (14.46) | (569.93) |
| <u>C. Financing Activities</u> | | | | |
| Proceeds(repaysment) from short term borrowing, net | (274.35) | (690.03) | (28.23) | 1,719.49 |
| Proceeds(repaysment) from long term borrowings, net | (223.42) | 382.82 | (191.73) | (1,086.96) |
| Interest Cost | (155.83) | (188.26) | (148.25) | (144.21) |
| Proceeds(repaysment) from Issue of Share | - | 499.99 | - | - |
| Net cash used in financing activities(C) | (653.60) | 4.52 | (368.21) | 488.32 |
| Movement in Minority Interest | - | - | - | - |
| Net increase in cash and cash equivalents(D=A+B+C) | (0.10) | (15.65) | (20.27) | (0.81) |
| Cash and cash equivalents at the beginning of the financial year (E) | 4.55 | 20.22 | 40.48 | 41.29 |
| Cash and cash equivalents at the end of the period/year (D+E) | 4.45 | 4.55 | 20.22 | 40.48 |

Components of cash and cash equivalents as at end of the year

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|------------------|----------------|----------------|----------------|
| Balance with banks: | | | | |
| - On current account | 0.99 | - | - | 0.11 |
| - Cheque in hand | - | - | 15.00 | - |
| - Deposits with original maturity of less than 3 months | - | - | - | 37.83 |
| - Cash on hand | 3.45 | 4.55 | 5.22 | 2.53 |
| Cash and cash equivalents as per Statement of Cash Flow | 4.45 | 4.55 | 20.22 | 40.48 |

The notes referred to above form an integral part of the financial statements

For Manish Pandey & Associates

Chartered Accountants

Firm Registration No. 019807C

Sd/-

Ravinder Panwar

Partner

Membership No. 549996

UDIN : 25549996BOOEAW7918

Place: Delhi

Date: 23.06.2025

Sd/-

Sawar Mal Goyal

(Managing Director)

DIN: 01896767

Sd/-

Amalendu Kumar

(CFO)

PAN - CMAPK0351C

Sd/-

Ananya Goyal

(Whole Time Director)

DIN: 07492850

Sd/-

Sakshi Sareen

(Company Secretary)

PAN-CWCPS 9777A

CORPORATE INFORMATION

Silky Overseas Limited is a Public Company domiciled in India originally incorporated as Silky Overseas Private Limited vide certificate of incorporation consequent upon conversion to Public Limited Company dated 17th November, 2023 issued by Registrar of Companies, Delhi, being Corporate Identification Number U17110DL2016PLC298888. The company is in the business of manufacturing of Blankets & Trading of Comforters, bed Sheets, Curtains, yarn & Other Fabrics. The Company primarily caters to the Indian market.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

- (a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.
- (b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.
- (c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

1.2 Revenue Recognition

- (a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.
- (b) Revenue is recognised to the extent that it is possible that, the economic benefits will flow to the company and the revenue can be reliably estimated and collectability is reasonably assured.
- (c) Revenue from sale of goods and services are recognised when control of the products being sold is transferred to our customer and **when** there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.
- (d) Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and service tax etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.
- (e) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

1.3 Property, Plant & Equipment and Intangible Assets & Depreciation

- (a) Property, Plant and Equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use.
- (b) Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.
- (c) Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognised in the statement of profit and loss when the same is derecognised.
- (d) Depreciation on fixed assets is calculated on a Written - Down value method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013.
- (e) Intangible asset purchased are initially measured at cost. The cost of an intangible assets comprises its purchase price including duties and taxes and any costs directly attributable to making the assets ready for their intended use. The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives.

1.4 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

1.5 Investments

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

1.6 Inventories

Inventories consisting of Raw Materials, W-I-P, Finished Goods and Stores & Spares are valued at lower of cost and net realizable value unless otherwise stated. Cost of inventories comprises of material cost on FIFO basis and expenses incurred in bringing the inventories to their present location and condition.

1.7 Employee Benefits**i) Short term employee benefits**

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognized as expenses in the period in which the employee renders the related service.

ii) Defined Contribution Plan:

The Company has Defined Contribution Plans for Post-employment benefits in the form of Provident Fund for all employees which are administered by Regional Provident Fund Commissioner. Provident Fund and Employee State Insurance are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

iii) Defined Benefit Plan:

Unfunded Plan the Company has a defined benefit plan for post-employment benefit in the form of Gratuity. Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

1.8 Borrowing Costs

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

1.9 Taxes on Income

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

1.10 Earning per share (EPS)

(a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.11 Prior Period Items

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements if any.

1.12 Provisions/Contingencies

(a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

(c) A Contingent Asset is not recognized in the Accounts.

1.13 Segment Reporting**A. Business Segments :**

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment which is engaged in business of manufacturing Blankets and trading of Comforters, bed Sheets & Curtains and has manufacturing facilities in India. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.

B. Geographical Segments

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

1.14 Foreign Currency Transactions

Foreign exchange transactions are recorded at the rate prevailing on the date of respective transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. 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 transaction. Exchange differences arising on foreign exchange transactions settled during the year and on restatement as at the balance sheet date are recognized in the statement of profit and loss for the year.

1.15 Balance Confirmations

Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.

1.16 Regrouping

Previous years figures have been regrouped and reclassified wherever necessary to match with current year grouping and classification.

2 DETAIL OF SHARE CAPITAL AS RESTATED

a) Authorised

1,50,00,000 equity shares of Rs.10 each
40,00,000 equity shares of Rs.10 each

Issued, Subscribed and paid up

44,62,023 equity shares of Rs.10 each
38,54,500 equity shares of Rs.10 each

| Annexure :- V | | | |
|------------------|-----------------|----------------|----------------|
| As at | | | |
| January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| 1,500.00 | 1,500.00 | - | - |
| - | - | 400.00 | 400.00 |
| 1,500.00 | 1,500.00 | 400.00 | 400.00 |
| 446.20 | 446.20 | - | - |
| - | - | 385.45 | 385.45 |
| 446.20 | 446.20 | 385.45 | 385.45 |

b) Reconciliation of the number of shares outstanding at the beginning and at the end of reporting period

| Particulars | As at | | | | | | | |
|---------------------------------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | January 31, 2025 | | March 31, 2024 | | March 31, 2023 | | March 31, 2022 | |
| | Number | Value | Number | Value | Number | Value | Number | Value |
| Balance at the beginning of the year | 4,462,023 | 446.20 | 3,854,500 | 385.45 | 3,854,500 | 385.45 | 3,854,500 | 385.45 |
| Add: Shares issued during the year | - | - | 607,523 | 60.75 | - | - | - | - |
| Balance at the end of the year | 4,462,023 | 446.20 | 4,462,023 | 446.20 | 3,854,500 | 385.45 | 3,854,500 | 385.45 |

Notes-

a. The Authorised Share Capital of the company was increased from 40,00,000 Equity Shares of Rs.10/- each to 1,50,00,000 Equity Shares of Rs. 10/- each vide resolution passed in board meeting dated 16th November, 20223

b. The company issued 607523 equity shares of Rs. 10/- each for cash on a premium of Rs. 72.30 as on 18th December , 2023.

c) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d) Details of the shareholders holding more than 5% shares in the Company

| | As at | | | | | | | |
|-------------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|
| | January 31, 2025 | | March 31, 2024 | | March 31, 2023 | | March 31, 2022 | |
| | No. of shares | % of shareholding | No. of shares | % of shareholding | No. of shares | % of shareholding | No. of shares | % of shareholding |
| Sawar Mal Goyal | 2,754,200 | 61.73% | 2,754,200 | 61.73% | 2,754,400 | 71.46% | 2,754,400 | 71.46% |
| Ananya Goyal | 900,000 | 20.17% | 750,000 | 16.81% | 750,000 | 19.46% | 750,000 | 19.46% |
| S.M. Goyal & Sons (HUF) | - | 0.00% | - | 0.00% | 200,000 | 5.19% | 200,000 | 5.19% |
| | 3,654,200 | 81.90% | 3,504,200 | 78.53% | 3,704,400 | 96.11% | 3,704,400 | 96.11% |

f) Details of the shareholding of the promoters in the Company

| Promoter name | January 31, 2025 | | | March 31, 2024 | | | March 31, 2023 | | | March 31, 2022 | | |
|-------------------------|------------------|-------------------|----------------------------|------------------|-------------------|--------------------------|------------------|-------------------|--------------------------|------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % change during the period | No. of shares | % of total shares | % change during the year | No. of shares | % of total shares | % change during the year | No. of shares | % of total shares | % change during the year |
| Sawar Mal Goyal | 2,754,200 | 61.73% | 0.00% | 2,754,200 | 61.73% | -9.73% | 2,754,400 | 71.46% | 0% | 2,754,400 | 71.46% | 0% |
| Ananya Goyal | 900,000 | 20.17% | 3.36% | 750,000 | 16.81% | -2.65% | 750,000 | 19.46% | 0% | 750,000 | 19.46% | 0% |
| S.M. Goyal & Sons (HUF) | 200,000 | 4.48% | 0.00% | 200,000 | 4.48% | -0.71% | 200,000 | 5.19% | 0% | 200,000 | 5.19% | 0% |
| | 3,854,200 | 86.38% | | 3,704,200 | 83.02% | | 3,704,400 | 96.11% | | 3,704,400 | 96.11% | |

Restated Notes to financial statements

(All amounts are in Indian Rupees lakhs, except share data or as stated)

DETAILS OF RESERVE & SURPLUS AS RESTATED

| | | Annexure :- As at | | VI |
|---|------------------|----------------------|----------------|----------------|
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| <i>Securities Premium</i> | | | | |
| Opening balance | 439.24 | - | - | - |
| Add: Premium received during the period | - | 439.24 | - | - |
| | 439.24 | 439.24 | - | - |
| <i>Statement of Profit and loss</i> | | | | |
| Opening balance | 628.57 | 75.09 | (26.38) | 24.95 |
| Add: Profit/(loss) during the year | 917.07 | 553.48 | 98.22 | (41.77) |
| Add: Prior Period Adjustment | - | - | 3.25 | - |
| Less: Previous Year Depreciation | - | - | - | (4.74) |
| Less: - Deferred Tax Adjustment | - | - | - | (4.81) |
| | 1,545.64 | 628.57 | 75.09 | (26.38) |
| Total | 1,984.88 | 1,067.81 | 75.09 | (26.38) |

DETAILS OF LONG TERM BORROWINGS AS RESTATED

| | | Annexure :- As at | | VII |
|---|------------------|----------------------|----------------|----------------|
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Loans from Other Than Related Party (Long Term) | | | | |
| Term Loan from Bank - Secured | 928.28 | 1,204.93 | 695.94 | 868.75 |
| Vehicle Loan from Bank - Secured | - | - | 10.57 | 13.92 |
| Term Loan from Bank - Unsecured | - | - | 4.65 | 17.37 |
| | 928.28 | 1,204.93 | 711.16 | 900.04 |
| Less: Current Maturities of Long Term Loans | 268.11 | 321.33 | 210.39 | 207.54 |
| | 660.17 | 883.60 | 500.77 | 692.50 |

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DETAILS OF OTHER NON CURRENT LIABILITIES AS RESTATED

| | Annexure :- VIII | | | |
|----------------------------|------------------|----------------|----------------|----------------|
| | As at | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Security deposits Received | - | - | - | 2.58 |
| Total | - | - | - | 2.58 |

DETAILS OF PROVISIONS AS RESTATED

| | Long-term | | | | Short-term | | | |
|------------------------|------------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Provision for Gratuity | 56.93 | 28.69 | 30.50 | 13.28 | 12.45 | 9.65 | 6.76 | 4.50 |
| Provision For Tax | - | - | - | - | 318.64 | 204.78 | 30.64 | - |
| Provision for Bonus | - | - | - | - | 19.89 | 11.46 | - | - |
| Other provisions | - | - | - | - | - | - | 1.80 | 1.80 |
| Total | 56.93 | 28.69 | 30.50 | 13.28 | 350.99 | 225.89 | 39.20 | 6.30 |

DETAILS OF SHORT-TERM BORROWINGS AS RESTATED

| | Annexure :- X | | | |
|---------------------------------------|------------------|-----------------|-----------------|-----------------|
| | As at | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Current maturities of long-term debts | 268.11 | 321.33 | 210.39 | 207.54 |
| Cash Credit | 1,108.18 | 1,140.83 | 975.61 | 879.55 |
| Loans from Related Party | 38.23 | 226.71 | 1,088.25 | 1,283.62 |
| Credit Cards | - | - | 104.65 | 36.43 |
| Total | 1,414.52 | 1,688.87 | 2,378.90 | 2,407.13 |

Restated Notes to financial statements

(All amounts are in Indian Rupees lakhs, except share data or as stated)

DETAILS OF TRADE PAYABLES AS RESTATED

Annexure :- **XI**

As at

| January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|------------------|----------------|----------------|----------------|
| 36.99 | 0.53 | - | - |
| 1,726.58 | 638.83 | 366.48 | 112.20 |
| 1,763.57 | 639.36 | 366.48 | 112.20 |

1 Trade Payables

Dues to Micro and Small Enterprises
Dues to Others

Trade Payables ageing schedule as on January 31 , 2025

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | Total |
|---------------------------|--|-------------|-----------|-------------------|-----------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) MSME | 36.99 | - | - | - | 36.99 |
| (ii) Others | 1,726.01 | 0.57 | - | - | 1,726.58 |
| (iii) Disputed Dues-MSME | - | - | - | - | - |
| (iv) Disputed Dues-Others | - | - | - | - | - |
| Total | 1,763.00 | 0.57 | - | - | 1,763.57 |

Trade Payables ageing schedule as on March 31, 2024

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | Total |
|---------------------------|--|-------------|-------------|-------------------|---------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) MSME | 0.53 | - | - | - | 0.53 |
| (ii) Others | 637.64 | 1.11 | 0.08 | - | 638.83 |
| (iii) Disputed Dues-MSME | - | - | - | - | - |
| (iv) Disputed Dues-Others | - | - | - | - | - |
| Total | 638.17 | 1.11 | 0.08 | - | 639.36 |

Trade Payables ageing schedule as on March 31, 2023

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | Total |
|---------------------------|--|-------------|-----------|-------------------|---------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 366.37 | 0.11 | - | - | 366.48 |
| (iii) Disputed Dues-MSME | - | - | - | - | - |
| (iv) Disputed Dues-Others | - | - | - | - | - |
| Total | 366.37 | 0.11 | - | - | 366.48 |

Trade Payables ageing schedule as on March 31, 2022

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | Total |
|---------------------------|--|-----------|-----------|-------------------|---------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 112.20 | - | - | - | 112.20 |
| (iii) Disputed Dues-MSME | - | - | - | - | - |
| (iv) Disputed Dues-Others | - | - | - | - | - |
| Total | 112.20 | - | - | - | 112.20 |

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

Annexure :- **XII**

As at

Other Current Liabilities

Interest accrued and due on borrowings
Statutory dues
Advances from customers
Payable to employees
Capital Creditors
Liability for expenses
Total

| January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|------------------|----------------|----------------|----------------|
| 4.59 | 5.69 | 4.19 | 4.37 |
| 6.32 | 11.59 | 4.02 | 5.04 |
| 103.45 | 39.81 | 166.22 | 29.94 |
| 47.54 | 18.43 | 36.97 | 20.37 |
| - | - | 0.85 | 39.57 |
| 31.11 | 12.78 | 81.21 | 14.87 |
| 193.01 | 88.30 | 293.47 | 114.15 |

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(All amounts are in Indian Rupees lakhs, except share data or as stated)

DETAILS OF DEFERRED TAX ASSETS (NET) AS RESTATED

| | Annexure :- XIII | | | |
|----------------------------------|------------------|----------------|----------------|----------------|
| | As at | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Deferred Tax Assets (Net) | | | | |
| <i>Deferred Tax Assets (Net)</i> | 40.99 | 29.28 | 25.16 | 14.78 |
| | 40.99 | 29.28 | 25.16 | 14.78 |

DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED

| | Annexure :- XIV | | | |
|---------------------------------|------------------|----------------|----------------|----------------|
| | As at | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Other non-current assets | | | | |
| Security Deposits | 12.39 | 12.29 | 11.93 | 18.38 |
| | 12.39 | 12.29 | 11.93 | 18.38 |

DETAILS OF INVENTORIES AS RESTATED

| | Annexure :- XV | | | |
|------------------------|------------------|-----------------|-----------------|----------------|
| | As at | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Raw materials | 434.10 | 51.45 | 423.82 | 123.66 |
| Stock in Transit | - | - | - | 27.45 |
| Work-in-progress | 281.52 | 468.42 | - | - |
| Finished goods | 772.13 | 1,104.32 | 866.48 | 768.54 |
| Stock in Trades | - | 27.39 | 3.17 | - |
| Scraps | 15.62 | 17.19 | 3.86 | - |
| Stores and spare parts | - | - | 2.42 | 18.92 |
| | 1,503.38 | 1,668.78 | 1,299.74 | 938.57 |

DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED

| | Annexure :- XVI | | | |
|---|------------------|----------------|----------------|----------------|
| | As at | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Cash on hand | 3.45 | 4.55 | 5.22 | 2.53 |
| Balances with banks | | | | |
| -in Current accounts | 0.99 | - | - | 0.11 |
| -Cheque in Hand | - | - | 15.00 | - |
| | 4.45 | 4.55 | 20.22 | 2.64 |
| Other Bank Balances | | | | |
| -Deposits with original maturity for more than 3 months but less than 12 months | - | - | - | 37.83 |
| | 4.45 | 4.55 | 20.22 | 40.48 |

DETAILS OF SHORT-TERM LOANS & ADVANCES AS

| | Annexure :- XVII | | | |
|--------------------------------------|------------------|-----------------|----------------|----------------|
| | As at | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Loans and advances to employees | 3.21 | 8.19 | 6.45 | 7.75 |
| Advances to suppliers | 1,986.36 | 894.64 | 44.18 | 0.16 |
| Balances with Government Authorities | 132.46 | 91.76 | 131.27 | 80.38 |
| Advance Income-tax | - | 110.97 | - | 10.60 |
| Prepaid expenses | 38.66 | 10.95 | 6.65 | 24.29 |
| | 2,160.70 | 1,116.51 | 188.54 | 123.18 |

Annexure :- XVIII

| January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|------------------|----------------|----------------|----------------|
| - | - | - | - |
| 1,934.82 | 908.77 | 995.60 | 815.09 |
| 1,934.82 | 908.77 | 995.60 | 815.10 |
| - | - | - | - |
| 1,934.82 | 908.77 | 995.60 | 815.09 |

From Related Parties
From Others

Less: Allowance for doubtful debts

Trade Receivables ageing schedule as on January 31 ,2025

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | | |
|---------------------------------------|--|-------------------|-------------|-------------|-------------|-----------------|
| | Less than 6 | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 | Total |
| (i) Undisputed - Considered Good | 1,853.25 | 72.06 | 0.04 | 9.47 | - | 1,934.82 |
| (ii) Undisputed - Considered Doubtful | - | - | - | - | - | - |
| (iii) Disputed - Considered Good | - | - | - | - | - | - |
| (iv) Disputed - Considered Doubtful | - | - | - | - | - | - |
| Total | 1,853.25 | 72.06 | 0.04 | 9.47 | - | 1,934.82 |
| Less: Allowance for doubtful debts | - | - | - | - | - | - |
| Total | 1,853.25 | 72.06 | 0.04 | 9.47 | 9.47 | 1,934.82 |

Trade Receivables ageing schedule as on March 31, 2024

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | | |
|---------------------------------------|--|-------------------|--------------|-----------|-------------------|---------------|
| | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| (i) Undisputed - Considered Good | 898.34 | 0.11 | 10.32 | - | - | 908.77 |
| (ii) Undisputed - Considered Doubtful | - | - | - | - | - | - |
| (iii) Disputed - Considered Good | - | - | - | - | - | - |
| (iv) Disputed - Considered Doubtful | - | - | - | - | - | - |
| Total | 898.34 | 0.11 | 10.32 | - | - | 908.77 |
| Less: Allowance for doubtful debts | - | - | - | - | - | - |
| Total | 898.34 | 0.11 | 10.32 | - | 9.47 | 908.77 |

Trade Receivables ageing schedule as on March 31, 2023

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | | |
|---------------------------------------|--|-------------------|-------------|-----------|-------------------|---------------|
| | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| (i) Undisputed - Considered Good | 993.52 | 1.01 | 1.07 | - | - | 995.60 |
| (ii) Undisputed - Considered Doubtful | - | - | - | - | - | - |
| (iii) Disputed - Considered Good | - | - | - | - | - | - |
| (iv) Disputed - Considered Doubtful | - | - | - | - | - | - |
| Total | 993.52 | 1.01 | 1.07 | - | - | 995.60 |
| Less: Allowance for doubtful debts | - | - | - | - | - | - |
| Total | 993.52 | 1.01 | 1.07 | - | - | 995.60 |

Trade Receivables ageing schedule as on March 31, 2022

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | | |
|---------------------------------------|--|-------------------|-----------|--------------|-------------|---------------|
| | Less than 6 | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 | Total |
| (i) Undisputed - Considered Good | 689.89 | 105.35 | - | 12.78 | 7.08 | 815.09 |
| (ii) Undisputed - Considered Doubtful | - | - | - | - | - | - |
| (iii) Disputed - Considered Good | - | - | - | - | - | - |
| (iv) Disputed - Considered Doubtful | - | - | - | - | - | - |
| Total | 689.89 | 105.35 | - | 12.78 | 7.08 | 815.09 |
| Less: Allowance for doubtful debts | - | - | - | - | - | - |
| Total | 689.89 | 105.35 | - | 12.78 | 7.08 | 815.09 |

Annexure :- XIX

| January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|------------------|----------------|----------------|----------------|
| - | - | 0.56 | 1.12 |
| - | - | 0.56 | 1.12 |

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

| | Annexure :- XX | | | |
|---------------------------------|---------------------------|-----------------|-----------------|-----------------|
| | For the period/year ended | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Revenue from operations* | | | | |
| Domestic Sales | | | | |
| Sale of products | | | | |
| Sales- Manufacturing | 7,818.81 | 6,356.08 | 6,583.80 | 4,394.71 |
| Sales- Traded Goods | 2,616.98 | 573.69 | 180.07 | 574.04 |
| | | - | | |
| | 10,435.78 | 6,929.77 | 6,763.87 | 4,968.76 |
| Export Sales | 15.42 | - | - | - |
| | 10,451.20 | 6,929.77 | 6,763.87 | 4,968.76 |
| | - | - | - | - |
| Other operating revenue | - | | | |
| Sale of Scrap | 49.04 | 37.96 | 50.83 | 40.88 |
| Rebate & Discount | 0.91 | 1.05 | 1.15 | 2.46 |
| Interest income (Customers) | - | 1.72 | 14.91 | - |
| | 49.95 | 40.72 | 66.89 | 43.34 |
| | 10,501.15 | 6,970.49 | 6,830.76 | 5,012.10 |

**The revenue in after adjusting interbranch sales*

DETAILS OF OTHER INCOME AS RESTATED

| | Annexure :- XXI | | | |
|-------------------------------------|---------------------------|----------------|----------------|----------------|
| | For the period/year ended | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Other Income | | | | |
| Interest Income from Loan & Deposit | 0.52 | 0.00 | 0.33 | 3.44 |
| Other Income | 0.33 | - | 4.36 | 1.25 |
| Commission received | 30.14 | 50.75 | - | - |
| Miscellaneous Write Back | 2.19 | 5.00 | - | - |
| Foreign Exchange Gain | 0.63 | - | - | - |
| | 33.80 | 55.76 | 4.69 | 4.68 |

DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED

| | Annexure :- XXII | | | |
|---------------------------------------|---------------------------|-----------------|-----------------|-----------------|
| | For the period/year ended | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Raw Materials | | | | |
| Opening stock | 51.45 | 423.82 | 151.11 | 126.45 |
| Add: Purchases during the year | 5,565.71 | 4,452.06 | 5,079.74 | 3,677.79 |
| Less: Closing Stock | 434.10 | 51.45 | 423.82 | 151.11 |
| | | | - | - |
| Consumption of stores and spare parts | 65.88 | 84.53 | 95.25 | 27.91 |
| Add: Direct Expenses | - | | | - |
| Wages | 343.92 | 438.82 | 534.50 | 441.46 |
| Power and fuel | 202.39 | 294.77 | 412.72 | 295.77 |
| Freight Inward | 3.92 | 2.20 | - | 20.66 |
| | 5,799.17 | 5,644.75 | 5,849.50 | 4,438.92 |

DETAILS OF PURCHASE OF STOCK IN TRADE AS RESTATED

| | Annexure :- XXIII | | | |
|----------------------------|---------------------------|----------------|----------------|----------------|
| | For the period/year ended | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Purchase of Stock in Trade | 2,332.48 | 580.62 | 176.31 | 568.36 |
| | 2,332.48 | 580.62 | 176.31 | 568.36 |

DETAILS OF CHANGE IN INVENTORIES OF WORK IN PROGRESS AND FINISHED GOODS

| | Annexure :- XXIV | | | |
|----------------------|---------------------------|----------------|----------------|----------------|
| | For the period/year ended | | | |
| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Opening Stock | | | | |
| Finished Goods | 1,104.32 | 866.48 | 768.54 | 176.42 |
| Work-in-progress | 468.42 | | - | - |
| Stock in Trades | 27.39 | 3.17 | - | - |
| Scrap | 17.19 | 3.86 | - | 0.44 |
| | 1,617.32 | 873.51 | 768.54 | 176.86 |

SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited)

CIN - U17110DL2016PLC298888

F-1 , PLOT NO A-48,1ST FLOOR, BLK A, WAZIRPUR INDUSTRIAL AREA,DELHI,110052,DELHI

Restated Notes to financial statements

(All amounts are in Indian Rupees lakhs, except share data or as stated)

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

Annexure :-

XX

For the period/year ended

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---------------------|-------------------|-------------------|-----------------|-----------------|
| Less: Closing Stock | | | | |
| Finished Goods | (772.13) | (1,104.32) | (866.48) | (768.54) |
| Work-in-progress | (281.52) | (468.42) | - | - |
| Stock in Trades | - | (27.39) | (3.17) | - |
| Scraps | (15.62) | (17.19) | (3.86) | - |
| | (1,069.28) | (1,617.32) | (873.51) | (768.54) |
| | 548.05 | (743.82) | (104.97) | (591.68) |

DETAILS OF EMPLOYEE BENEFIT EXPENSES

Annexure :-

XXV

For the period/year ended

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|------------------|----------------|----------------|----------------|
| Salaries | 67.89 | 64.11 | 38.06 | 42.58 |
| Contribution to provident and other funds | 4.39 | 7.03 | 9.32 | 10.08 |
| Staff welfare expenses | 0.26 | 1.06 | 2.18 | 1.46 |
| Director Remuneration | 36.00 | 43.20 | 43.20 | 43.20 |
| Bonus | 8.44 | 11.46 | 10.26 | 12.79 |
| Gratuity | 31.04 | 1.09 | 19.48 | 8.43 |
| Employee Transport Cost | - | 4.38 | 7.59 | 6.87 |
| | 148.01 | 132.33 | 130.09 | 125.41 |

DETAILS OF FINANCE COST AS RESTATED

Annexure :-

XXVI

For the period/year ended

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|----------------------------------|------------------|----------------|----------------|----------------|
| Interest expense | | | | |
| -On Term loans from banks | 76.12 | 91.09 | 62.81 | 56.63 |
| -On working capital demand loans | 79.71 | 97.17 | 77.59 | 46.38 |
| -On other borrowings | - | - | 7.85 | 41.20 |
| | 155.83 | 188.26 | 148.25 | 144.21 |
| Bank Charges | 6.09 | 8.94 | 10.35 | 3.42 |
| | 161.91 | 197.20 | 158.60 | 147.63 |

DETAILS OF OTHER EXPENSES AS RESTATED

Annexure :-

XXVIII

For the period/year ended

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|------------------|----------------|----------------|----------------|
| Payment to auditors | 2.50 | 3.00 | 2.00 | 2.00 |
| Commission | 8.90 | 18.87 | 2.71 | 3.63 |
| Freight | 51.52 | 83.02 | 110.66 | 38.29 |
| Insurance | 12.17 | 10.52 | 12.46 | 18.02 |
| Job Work Expenses | 0.25 | - | 0.96 | 4.00 |
| Legal and professional charges | 7.64 | 11.56 | 6.94 | 4.82 |
| Loss on Sales of Assets | - | 0.80 | - | - |
| Statutory Intt Demand, Penalty & Late Fees | 24.54 | 25.13 | 0.52 | 1.01 |
| Rent | 1.66 | 0.95 | 1.55 | 1.10 |
| Repairs and Maintenance | - | - | - | - |
| -Building | 0.37 | 4.13 | 3.67 | 1.70 |
| -Machinery | 12.68 | 15.47 | 12.01 | 10.90 |
| -Others | 0.26 | 0.47 | 0.88 | 3.16 |
| Rates and Taxes | 2.57 | 18.11 | 1.49 | 1.00 |
| Sales Promotion Expenses | 15.45 | 39.65 | 36.64 | 63.67 |
| Postage, Telephone & Internet Expenses | 0.20 | 0.37 | 0.35 | 0.38 |
| Printing and Stationery | 0.08 | 0.23 | 0.38 | 0.63 |
| Travelling Expenses | 3.04 | 3.23 | 0.20 | 0.15 |
| Donations | - | - | - | 0.32 |
| Miscellaneous expenses | 0.59 | 0.19 | 0.14 | 0.21 |
| Rebate and Discount Paid | 0.12 | 1.40 | 0.70 | 0.42 |
| Bad Debts | 0.06 | 1.07 | 22.75 | - |
| Fees & Subscriptions | - | 0.21 | 0.96 | 0.34 |
| Office Expenses | 1.18 | 0.40 | 1.15 | 0.03 |
| Security Expenses | 6.82 | 10.75 | 11.34 | 11.18 |
| Vehicle Running & Maintenance | 5.70 | 5.03 | 5.58 | 6.23 |
| Website & Software Expenses | 1.01 | 0.42 | 0.20 | - |
| Interest on MSME | 0.86 | 0.14 | - | - |
| | 160.19 | 255.14 | 236.23 | 173.17 |

DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED

Annexure :- XXVII

1 Property, Plant and Equipment

| Particulars | Property, Plant and Equipment | | | | | | | | | |
|--|-------------------------------|---------------|------------------------|-----------------------|----------------------|--------------|------------------|-------------------|--------------|-----------------|
| | Land | Building | Compuer & Peripheral s | Electric Installation | Furniture & Fixtures | Vehicles | Office Equipment | Plant & Machinery | Capital WIP | Total |
| <u>Gross Block</u> | | | | | | | | | | |
| Balance as at April 01,2021 | 166.72 | 817.16 | 2.53 | 119.49 | 3.66 | 25.74 | 1.26 | 976.68 | | 2,113.24 |
| Additions | - | 28.93 | 0.86 | - | - | 19.72 | 0.79 | 208.08 | | 258.37 |
| Deletions / write off | | | | | | | | | | - |
| Balance as at March 31, 2022 | 166.72 | 846.09 | 3.39 | 119.49 | 3.66 | 45.46 | 2.05 | 1,184.76 | - | 2,371.61 |
| Additions | - | 10.61 | 0.68 | - | 0.64 | 0.74 | 0.19 | 316.93 | | 329.79 |
| Deletions / write off | | | | | | | | | | - |
| Balance as at March 31, 2023 | 166.72 | 856.70 | 4.07 | 119.49 | 4.30 | 46.19 | 2.24 | 1,501.69 | - | 2,701.40 |
| Additions | - | - | 0.84 | 6.36 | - | - | 0.53 | 8.48 | | 16.20 |
| Deletions / write off | - | - | - | - | - | - | - | 22.03 | | 22.03 |
| Balance as at March 31, 2024 | 166.72 | 856.70 | 4.90 | 125.85 | 4.30 | 46.19 | 2.76 | 1,488.14 | - | 2,695.57 |
| Additions | - | - | 2.73 | - | - | - | 2.70 | 6.98 | 19.94 | 32.36 |
| Deletions / write off | - | - | - | - | - | - | - | - | | - |
| Balance as at January 31, 2025 | 166.72 | 856.70 | 7.64 | 125.85 | 4.30 | 46.19 | 5.47 | 1,495.13 | 19.94 | 2,727.93 |
| <u>Accumulated depreciation</u> | | | | | | | | | | |
| Balance as at April 01,2021 | - | 239.97 | 2.17 | 79.78 | 1.96 | 15.76 | 0.75 | 395.39 | | 735.79 |
| Additions | - | 55.28 | 0.37 | 10.28 | 0.44 | 5.38 | 0.46 | 123.00 | | 195.21 |
| Deletions / adjustments | - | - | - | - | - | - | - | - | | - |
| Balance as at March 31, 2022 | - | 295.26 | 2.54 | 90.06 | 2.40 | 21.15 | 1.21 | 518.39 | - | 931.00 |
| Additions | - | 52.40 | 0.90 | 7.62 | 0.43 | 7.76 | 0.40 | 172.78 | | 242.29 |
| Deletions / adjustments | - | - | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2023 | - | 347.66 | 3.44 | 97.68 | 2.83 | 28.90 | 1.61 | 691.17 | - | 1,173.30 |
| Additions | - | 48.36 | 0.78 | 7.02 | 0.38 | 5.36 | 0.36 | 147.05 | | 209.31 |
| Deletions / adjustments | - | - | - | - | - | - | - | -15.58 | - | -15.58 |
| Balance as at March 31, 2024 | - | 396.01 | 4.23 | 104.70 | 3.21 | 34.26 | 1.97 | 822.65 | - | 1,367.03 |
| Additions | - | 36.57 | 1.00 | 4.58 | 0.24 | 3.09 | 0.89 | 101.00 | | 147.35 |
| Deletions / adjustments | - | - | - | - | - | - | - | - | - | - |
| Balance as at January 31, 2025 | - | 432.58 | 5.23 | 109.27 | 3.45 | 37.35 | 2.86 | 923.64 | - | 1,514.38 |
| <u>Net Block</u> | | | | | | | | | | |
| As at March 31, 2022 | 166.72 | 550.83 | 0.85 | 29.43 | 1.26 | 24.31 | 0.84 | 666.37 | - | 1,440.61 |
| As at March 31, 2023 | 166.72 | 509.04 | 0.63 | 21.81 | 1.47 | 17.29 | 0.63 | 810.52 | - | 1,528.11 |
| As at March 31, 2024 | 166.72 | 460.68 | 0.68 | 21.15 | 1.09 | 11.93 | 0.79 | 665.50 | - | 1,328.54 |
| As at January 31, 2025 | 166.72 | 424.11 | 2.41 | 16.57 | 0.85 | 8.85 | 2.61 | 571.49 | 19.94 | 1,213.55 |

Capital work in progress ageing schedule as on January 31, 2025

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | |
|--|--|-----------|-----------|-------------------|--------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| (i) Projects in progress (Building - Factory Shed) | 19.94 | - | - | - | 19.94 |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | 19.94 | - | - | - | 19.94 |

Capital work in progress ageing schedule as on March 31, 2024

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | |
|-------------------------------------|--|-----------|-----------|-------------------|----------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| (i) Projects in progress | - | - | - | - | - |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

Capital work in progress ageing schedule as on March 31, 2023

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | |
|-------------------------------------|--|-----------|-----------|-------------------|----------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| (i) Projects in progress | - | - | - | - | - |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

Capital work in progress ageing schedule as on March 31, 2022

| Particulars | Outstanding for the following periods from Due Date of Payment | | | | |
|-------------------------------------|--|-----------|-----------|-------------------|---------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| (i) Projects in progress | 315.00 | - | - | - | 315.00 |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | 315.00 | - | - | - | 315.00 |

SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited)
F-1 , PLOT NO A-48,1ST FLOOR, BLK A, WAZIRPUR INDUSTRIAL AREA,DELHI,110052,DELHI
Restated Notes to financial statements
(All amounts are in Indian Rupees lakhs, except share data or as stated)

DETAILS OF RELATED PARTIES TRANSACTION AS RESTATED

Annexure :- XXIX

| Name of Related Party | Nature of Relationship | Nature of Transaction | Amount of transaction during ten months period ended January 31, 2025 | Amount outstanding as on January 31, 2025 (Payable)/ Receivable | Amount of transaction during the period ended March 31, 2024 | Amount outstanding as on March 31, 2024 (Payable)/ Receivable | Amount of transaction during the year ended March 31, 2023 | Amount outstanding as on March 31, 2023 (Payable)/ Receivable | Amount of transaction during the year ended March 31, 2022 | Amount outstanding as on March 31, 2022 (Payable)/ Receivable |
|----------------------------|------------------------------------|--------------------------|---|---|--|---|--|---|--|---|
| Ananya Goyal | Whole time Director | Remuneration | 11.00 | (0.97) | 13.20 | (0.97) | 13.20 | (0.97) | 13.20 | - |
| | | Loan Taken | 354.84 | | 368.15 | | 263.80 | | 60.60 | |
| | | Loan Repaid | 474.15 | (8.82) | 922.99 | (128.13) | 532.45 | (682.97) | 59.75 | (951.62) |
| | | Advance given (Imprest) | 0.32 | | 26.13 | | 28.39 | | 104.11 | |
| | | Advance repaid (Imprest) | 0.32 | (0.88) | 26.16 | (0.88) | 27.48 | (0.91) | 104.25 | - |
| Sawar mal Goyal | Managing Director | Remuneration | 25.00 | (1.92) | 30.00 | (1.92) | 30.00 | (1.92) | 30.00 | - |
| | | Loan Taken | 280.22 | | 75.70 | | 119.97 | | 274.51 | |
| | | Loan Repaid | 349.40 | (28.53) | 326.78 | (97.70) | 46.69 | (348.78) | 274.51 | (275.50) |
| Rishika Goyal | Relative of director | Remuneration | 0.80 | - | 4.80 | - | 4.80 | (0.39) | 4.80 | - |
| | | Loan Taken | - | - | - | - | - | - | 61.00 | - |
| | | Loan Repaid | - | - | - | - | - | - | 61.00 | - |
| S. M Goyal & Sons (HUF) | Relative of director | Rent expenses | 0.40 | - | 0.60 | - | 0.60 | - | 0.60 | - |
| | | Advance given | - | - | - | - | - | - | 0.39 | - |
| | | Advance repaid | - | - | - | - | - | - | 0.39 | - |
| | | Sales of Goods | - | - | - | - | - | - | 38.73 | - |
| Sharda Devi Memorial Trust | Relative of director | Loan Taken | - | - | 59.37 | - | - | (56.50) | - | (56.50) |
| | | Loan Repaid | - | - | 115.87 | - | - | - | - | - |
| | | Interest Paid | - | - | 3.19 | - | 5.09 | - | 5.09 | - |
| Shalu Goyal | Relative of director | Salary | 12.00 | - | 9.60 | - | - | - | - | - |
| Sanjay Goyal | Relative of director | Salary | 12.00 | - | 9.60 | - | - | - | - | - |
| Amalendu Kumar | CFO | Salary | 4.00 | 0.46 | | | | | | |
| Sakshi Sareen | Company Secretary | Salary | 4.50 | 0.45 | | | | | | |
| S . R Knitt | Relative of director is proprietor | Sales of Goods | 2.18 | | 7.23 | | 5.20 | | 0.08 | |
| | | Purchase | - | | - | | 5.61 | | - | |
| | | Amount Received | 2.18 | (0.00) | 7.23 | (0.00) | 65.20 | (0.00) | 38.68 | 0.35 |
| | | Amount Paid | - | | - | | 65.26 | | 38.60 | |
| | | | - | | - | | - | | - | |
| | | Interest Received | - | | - | | - | | 0.35 | |

| | | | | |
|--|--|---|---|---|
| SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited) CIN - U17110DL2016PLC298888 F-1 , PLOT NO A-48,1ST FLOOR, BLK A, WAZIRPUR INDUSTRIAL AREA,DELHI,110052,DELHI Restated Notes to financial statements (All amounts are in Indian Rupees lakhs, except share data or as stated) | | | | |
| | | | Annexure :- | XXX |
| Restated Statement of Adjustments to Audited Financial Statements | | | | |
| | | | | Amount (Rs. In Lakhs) |
| (i) Reconciliation of Restated Profit: | | | | |
| The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company | | | | |
| Particulars | For ten months period ended 31st January,2025 | For the year ended 31st March'24 | For the year ended 31st March'23 | For the year ended 31st March'22 |
| Profit after tax as per audited financial statements | 917.07 | 553.48 | 75.62 | (45.67) |
| (i) Adjustments on account of change in accounting policies: | | | | |
| (ii) Other material adjustments: | | | | |
| Income | | | | |
| Write Back | | | | |
| Depreciation | - | (0.00) | 1.20 | 1.76 |
| Write Off | | | | |
| Provision | | | | |
| Expenses | - | - | 3.78 | (3.14) |
| Round off | | | | |
| Change in tax Provision | | | 0.47 | |
| Prior period items | | | | |
| Deferred tax adjustment | | | 17.15 | 5.28 |
| (iii) Audit Qualifications: | - | - | - | - |
| Restated profit after tax | 917.07 | 553.48 | 98.22 | (41.77) |
| The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company. | | | | |
| Particulars | As at January 31, 2025 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
| Shareholder's funds as per Audited financial statements | 2,431.08 | 1,514.02 | 447.51 | 364.73 |
| (i) Adjustments on account of change in accounting policies: | - | - | - | - |
| (ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial | - | - | 3.89 | - |
| (iii) Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial | - | (0.00) | 22.60 | 3.89 |
| (iv) Other material adjustments # : | - | - | - | - |
| (v) Audit Qualifications: | - | - | - | - |
| (vi) Impact Carried over | - | - | (4.74) | - |
| (vi) Depreciation Impact of Earlier year | | | | (4.74) |
| (vii) Adjustment for deferred Tax | | | (4.82) | (4.81) |
| (vii) Adjustment for Previous Year | | | (3.91) | |
| Restated Shareholder's funds | 2,431.08 | 1,514.02 | 460.54 | 359.07 |

| | | |
|--|--|---|
| SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited) CIN - U17110DL2016PLC298888 F-1 , PLOT NO A-48,1ST FLOOR, BLK A, WAZIRPUR INDUSTRIAL AREA,DELHI,110052,DELHI STATEMENT OF ASSETS AND LIABILITIES AS RESTATED (All amounts are in Indian Rupees lakhs, except share data or as stated) | | |
| | | Annexure :- XXXI |
| STATEMENT OF CAPITALISATION | | |
| | Amount (Rs. In Lakhs) | |
| PARTICULARS | Pre-Offer as on January 31,2025 | Post-Offer as on January 31,2025 |
| Debt | | |
| - Short Term Debt | 1,146.41 | - |
| - Long Term Debt | 928.28 | - |
| Total Debt | 2,074.69 | - |
| Shareholders' Fund (Equity) | | |
| - Share Capital | 446.20 | - |
| - Reserves & Surplus | 1,984.88 | - |
| - Less: Miscellaneous Expenses not W/off | - | - |
| Total Shareholders' Fund (Equity) | 2,431.08 | - |
| Long Term Debt / Equity (In Ratio) | 0.38 | - |
| Total Debt / Equity (In Ratio) | 0.85 | - |
| Notes:- 1. Short Term Debts represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months. 2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under other current liabilities. 3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at January 31,2025 4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares. | | |

| | | | | |
|--|------------------|------------------|------------------|------------------|
| SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited) | | | | |
| CIN - U17110DL2016PLC298888 | | | | |
| F-1 , PLOT NO A-48,1ST FLOOR, BLK A, WAZIRPUR INDUSTRIAL AREA,DELHI,110052,DELHI | | | | |
| STATEMENT OF ASSETS AND LIABILITIES AS RESTATED | | | | |
| (All amounts are in Indian Rupees lakhs, except share data or as stated) | | | | |
| OTHER FINANCIAL INFORMATION | | | | |
| Annexure :- XXXII | | | | |
| Amount (Rs. In Lakhs) | | | | |
| Particulars | As at 31.01.2025 | As at 31.03.2024 | As at 31.03.2023 | As at 31.03.2022 |
| Net Worth (A) | 2,431.08 | 1,514.02 | 460.54 | 359.07 |
| Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) | 1,508.34 | 1,101.46 | 535.09 | 296.59 |
| Restated Profit after tax | 917.07 | 553.48 | 98.22 | (41.77) |
| Adjusted Profit after Tax(B) | 917.07 | 553.48 | 98.22 | (41.77) |
| Number of Equity Share outstanding as on the End of Year/Period (C) | 4,462,023.00 | 4,462,023.00 | 3,854,500.00 | 3,854,500.00 |
| Weighted average no of Equity shares as on the end of the period year(D) | 4,462,023.00 | 4,027,129.49 | 3,854,500.00 | 3,854,500.00 |
| - Pre Bonus (D(i)) | 4,462,023.00 | 4,027,129.49 | 3,854,500.00 | 3,854,500.00 |
| - Post Bonus (D(ii)) | 4,462,023.00 | 4,027,129.49 | 3,854,500.00 | 3,854,500.00 |
| Face Value per Share | | | | |
| Restated Basic & Diluted Earnings Per Share (In Rs.) (B/D) | | | | |
| - Pre Bonus (B/D(i)) | 20.55 | 13.74 | 2.55 | (1.08) |
| - Post Bonus (B/D(ii)) | 20.55 | 13.74 | 2.55 | (1.08) |
| Return on Net worth (%) (B/A) | 37.72% | 36.56% | 21.33% | -11.63% |
| Net asset value per share (A/D(i)) (Pre Bonus) (In Rs.) | 54.48 | 37.60 | 11.95 | 9.32 |
| Net asset value per share (A/D(ii)) (Post Bonus) (In Rs.) | 54.48 | 37.60 | 11.95 | 9.32 |
| Notes:- | | | | |
| 1. The ratios have been Computed as per the following formulas | | | | |
| (i) Basic Earnings per Share | | | | |
| Restated Profit after Tax available to equity shareholders | | | | |
| Weighted average number of equity shares outstanding at the end of the year / period | | | | |
| (ii) Net Asset Value (NAV) per Equity Share | | | | |
| Restated Net Worth of Equity Share Holders | | | | |
| Number of equity shares outstanding at the end of the year / period | | | | |
| (iii) Return on Net worth (%) | | | | |
| Restated Profit after Tax available to equity shareholders | | | | |
| Restated Net Worth of Equity Share Holders | | | | |
| 2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items. | | | | |
| 3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company. | | | | |
| 4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India. | | | | |
| 5. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period. | | | | |

SILKY OVERSEAS LIMITED (Formerly Known as Silky Overseas Private Limited)

CIN - U17110DL2016PLC298888

F-1 , PLOT NO A-48,1ST FLOOR, BLK A, WAZIRPUR INDUSTRIAL AREA,DELHI,110052,DELHI

Annexure :- XXXIII

RESTATED STATEMENT OF TAX SHELTER

| Amount (Rs. In Lakhs) | | | | |
|--|------------------|------------------|------------------|------------------|
| Particulars | As at 31.01.2025 | As at 31.03.2024 | As at 31.03.2023 | As at 31.03.2022 |
| Net Profit/(Loss) before taxes (A) | 1,232.88 | 750.70 | 138.88 | (41.57) |
| Tax Rate Applicable % | 25.17% | 25.17% | 25.17% | 25.17% |
| Adjustments | | | | |
| Add: Depreciation as per Companies act | 147.35 | 209.31 | 242.29 | 195.21 |
| Add: Loss on sale of fixed assets | - | 0.80 | - | - |
| Add: Gratuity provision | 31.04 | 1.09 | 19.48 | 8.43 |
| Add: Donation | - | - | - | 0.32 |
| Add: Statutory Intt Demand, Penalty & Late Fees | 24.54 | 25.13 | 0.52 | 1.01 |
| Add: MSME Delayed Payment Interest | 0.86 | 0.14 | - | - |
| Add: MSME Delayed Payment Amount | - | 4.31 | - | - |
| Add: Late Deposit of a sum received from employee as contribution to fund | 2.13 | 2.54 | 1.31 | 0.49 |
| Add: Disallowance for non deduction of TDS | 0.75 | - | - | - |
| Add: Prior period Item | (0.80) | - | 18.09 | 1.31 |
| Add: Bonus | 8.44 | - | - | - |
| Less: Taxable under other heads of income | (30.66) | (52.48) | (15.24) | (3.44) |
| Less: Depreciation as per Income Tax Act, 1961 | (140.28) | (194.04) | (220.52) | (182.03) |
| | | | | |
| | | | | |
| Net Adjustments(B) | 43.37 | (3.19) | 45.94 | 21.31 |
| Business Income (A+B) | 1,276.25 | 747.51 | 184.82 | (20.26) |
| Income from Capital Gains | | | | |
| Sale Consideration | - | - | - | - |
| Less: Cost of Acquisition | - | - | - | - |
| Long/ Short Term Capital Gain | - | - | - | - |
| Less: Brought Forward Capital Gain | - | - | - | - |
| Income from Other Sources | 30.66 | 52.48 | 15.24 | 3.44 |
| Gross Total/ Taxable Income | 1,306.91 | 799.99 | 200.06 | (16.82) |
| Less: Deductions U/S 80JJAA | | | | - |
| Net Total/ Taxable Income | 1,306.91 | 799.99 | 200.06 | (16.82) |
| Less:- Brought Forward Losses | - | - | 10.87 | - |
| Net taxable Income | 1,306.91 | 799.99 | 189.19 | - |
| Tax Payable as per Normal Rate | 328.92 | 201.34 | 47.62 | - |
| Tax Payable as per Special Rate: | | | - | - |
| Interest payable on above | - | - | - | - |
| Tax as per Income Tax | 328.92 | 201.34 | 47.62 | - |
| Adjusted Book Profits for Computation of MAT U/s 115JB | | | | |
| Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961 | - | - | - | - |
| Interest Payable on above | - | - | 3.42 | - |
| TOTAL TAX LIABILITY (C) | 328.92 | 201.34 | 51.04 | - |
| TOTAL TAX LIABILITY AS PER SUBMITTED ITR | - | 281.49 | 51.04 | - |
| Current tax as per restated Statement of Profit & Loss | 328.92 | 201.34 | 51.04 | - |

Note: MAT is not Applicable as the company paying tax as per the Section 115BAA

Restated Notes to financial statements

(All amounts are in Indian Rupees lakhs, except share data or as stated)

DETAILS OF CONTINGENT LIABILITIES AS RESATATED

Annexure :-

XXXIV

As at

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|-------------------------|-----------------------|-----------------------|-----------------------|
| Claims against the company not acknowledged as Debts | - | - | - | - |
| Bank Gurantees | - | - | - | - |
| TDS Demand | 0.81 | 1.38 | - | - |
| | 0.81 | 1.38 | - | - |

DETAILS OF DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES AS RESTATED

Annexure :-

XXXV

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|-------------------------|-----------------------|-----------------------|-----------------------|
| Amount Due to Supplier | 36.99 | 0.53 | - | - |
| Principal amount paid beyond appointed date | - | - | - | - |
| Interest due and payable for the year | 0.86 | 0.14 | - | - |
| Interest accrued and remaining unpaid | - | - | - | - |

* The above data includes Capital creditors and is given to the extent of information available with the Company

DETAILS OF BASIC AND DILUTED EARNING PER SHARE AS RESTATED

Annexure :-

XXXVI

For the year ended

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|-------------------------|-----------------------|-----------------------|-----------------------|
| Profit/(Loss) after tax for the year before prior period | 917.07 | 553.48 | 98.22 | (41.77) |
| Weighted average number of Equity Shares | 4,462,023 | 4,027,129 | 3,854,500 | 3,854,500 |
| Basic earnings per share (Actuals) | 20.55 | 13.74 | 2.55 | (1.08) |
| Diluted earnings per share (Actuals) | 20.55 | 13.74 | 2.55 | (1.08) |
| Face value per equity share (Rs) | 10.00 | 10.00 | 10.00 | 10.00 |

DETAILS OF PAYMENT TO AUDITORS

Annexure :-

XXXVII

For the year ended

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-----------------------|-------------------------|-----------------------|-----------------------|-----------------------|
| Statutory & Tax Audit | 2.50 | 3.00 | 2.00 | 2.00 |
| Other matters | - | - | - | - |
| Reimbursements | - | - | - | - |
| | 2.50 | 3.00 | 2.00 | 2.00 |

DETAILS OF EARNING IN FOREIGN CURRENCY AS RESTATED

Annexure :-

XXXVIII

For the year ended

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|-------------------------|-----------------------|-----------------------|-----------------------|
| Income in Foreign Currency | | | | |
| - Total USD Receivable (USD) | 18534 | - | - | - |
| - Unrealised Gain/(Loss) (Rs. In Lakhs) | 0.63 | - | - | - |
| Total Gain/Loss | 0.63 | - | - | - |

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DETAILS OF CONTINGENT LIABILITIES AS RESATATED

Annexure :-

XXXIV

DETAILS OF EXPENDITURE IN FOREIGN CURRENCY

Annexure :-

XXXIX

For the year ended

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-----------------------------|------------------|----------------|----------------|----------------|
| Foreign Travelling Expenses | 1.04 | - | - | - |
| | 1.04 | - | - | - |

DETAILS OF VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, SPARES PARTS AND CAPITAL GOODS CONSUMED AS RESTATED

Annexure :-

XL

For the year ended

| | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|------------------------------|------------------|-----------------|-----------------|-----------------|
| Raw Materials | | | | |
| -Imported | - | - | - | - |
| -Indigenous | 5,183.06 | 4,824.42 | 4,807.03 | 3,653.13 |
| | 5,183.06 | 4,824.42 | 4,807.03 | 3,653.13 |
| Components and Spares | | | | |
| -Imported | - | - | - | - |
| -Indigenous | 65.88 | 84.53 | 95.25 | 27.91 |
| | 65.88 | 84.53 | 95.25 | 27.91 |
| Capital Goods | | | | |
| -Imported | - | - | - | - |
| -Indigenous | - | - | - | - |
| | - | - | - | - |
| | 5,248.93 | 4,908.96 | 4,902.28 | 3,681.04 |

37 ACCOUNTING RATIO AS RESTATED

Annexure :-

XLI

| Particulars | Numerator | Denominator | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 | Change in % in Period ended January 31,2025 & FY 24 | Change in % FY 24 & FY 23 | Change in % FY 23 & FY 22 | Reasons for Variance for Changes > 25 % (For Period ended January 31,2025 & FY 24) | Reasons for Variance for Changes > 25 % (For FY 23 & FY 24) | Reasons for Variance for Changes > 25 % (For FY 22 & FY 23) |
|--------------------------------------|-------------------------------------|------------------------------|------------------|----------------|----------------|----------------|---|---------------------------|---------------------------|---|---|---|
| (a) Current Ratio | Current assets | Current liabilities | 1.51 | 1.40 | 0.81 | 0.73 | 7.55% | 72.01% | 11.97% | NA | Ratio is improved mainly due to increase in Inventories and decrease in short term borrowings | NA |
| (b) Debt-Equity Ratio | Total debts | Share holders equity | 0.85 | 1.70 | 6.25 | 8.63 | (49.77%) | (72.83%) | (27.57%) | Decrease due to Increase in Shareholder equity due to profit | Ratio decrease due to fresh issue of share and increase in profit. | Ratio Improved due to decrease in borrowings and increase in profit |
| (c) Debt Service Coverage Ratio | Earnings available for Debt service | Debt service | 3.19 | 2.84 | 3.40 | 0.85 | 12.40% | (16.58%) | 301.21% | Ratio is improved mainly due to good profits during the Current year compare to last year | Ratio is improved mainly due to good profits during the Current year compare to last year | Ratio is improved mainly due to good profits during the Current year compare to last year |
| (d) Return on Equity Ratio | Profit after tax | Average share holders equity | 46.49% | 56.06% | 23.97% | -23.27% | (17.07%) | 133.90% | (203.02%) | Ration is Decrease due to PAT is for 6 Months only | Ratio is improved mainly due to good profits during the Current year compare to last year | Ratio is improved mainly due to good profits during the Current year compare to last year |
| (e) Inventory turnover ratio | COGS | Average inventories | 5.13 | 4.19 | 5.38 | 8.05 | 22.24% | (22.10%) | (33.12%) | NA | Inventory Turnover ratuion decrease due to increase in COGS | Inventory Turnover ratuion decrease due to increase in COGS |
| (f) Trade receivables turnover ratio | Total turnover | Average account receivables | 7.39 | 7.32 | 7.54 | 4.22 | 0.89% | (2.97%) | 78.87% | Ratio Increase due to increase in Turnover | NA | Ratio Increase due to increase in Turnover |
| (g) Trade payables turnover ratio | Total purchases | Average account payables | 6.57 | 10.01 | 21.96 | 72.99 | (34.31%) | (54.43%) | (69.91%) | Ratio decrease due to increase in Average Trade Payable | Ratio decrease due to increase in Average Trade Payable | Ratio decrease due to increase in Average Trade Payable |
| (h) Net capital turnover ratio | Total turnover | Net working capital | 3.19 | 2.54 | 3.78 | 2.97 | 25.48% | (32.88%) | 27.25% | Ratio decrease due to increase in Working Capital | Ratio decrease due to increase in Working Capital | Ratio Increase due to increase in Turnover |
| (i) Net profit ratio | Net profit | Total turnover | 8.73% | 7.94% | 1.44% | (0.83%) | 9.98% | 452.19% | (272.54%) | NA | Profit increase due to strategic purchase, sale of semi finished goods with good margin | Profit increase due to strategic purchase, sale of semi finished goods with good margin |
| (i) Return on Capital employed | Earning before interest and taxes | Capital employed | 45.12% | 39.54% | 30.95% | 10.09% | 14.13% | 27.76% | 206.81% | Decrease due to increase in Capital employed | Profit increase due to strategic purchase, sale of semi finished goods with good margin | Profit increase due to strategic purchase, sale of semi finished goods with good margin |
| (k) Return on investment | Return on investment | Total investment | - | - | - | - | - | - | - | NA | NA | NA |

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ADDITIONAL REGULATORY INFORMATION

Annexure :- XLII

- a) There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- b) The Company has not revalued its property, plant and equipment (including the right of use assets) and intangible assets.
- c) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- d) The Company has borrowings from banks or financial institutions that are secured against current assets. Quarterly returns or statements of current assets have been filed with the lenders.
- e) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.
- f) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the year under consideration.
- g) There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- h) 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.

The company has also 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- i) The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.
- j) The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.
- k) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

1 Corporate Social Responsibility ("CSR")

| | FY 24-25 | FY 23-24 | FY 22-23 | FY 21-22 |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|
| The company is required to spent | 5.72 | - | - | - |
| Spent during the Period | 5.72 | - | - | - |
| Unspent Amount | - | - | - | - |
| Excess Spent Amount | - | - | - | - |

Note

The amount required to be spent as Corporate Social Responsibility(CSR) under Section 135 of the Companies Act ,2013 for the year ended March 31,2025 is Rs.5.72 Lakhs (Previous Year: Rs. 0.00 Lakh) i.e. 2% of average net profits for last three financial years, calculated as per Section 198 of the Companies Act, 2013.

The Company had spent Rs.5.72 Lakhs on CSR Projects / initiatives on March 04, 2025.

- 2 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 3 Pursuant to amendment in Schedule III to the Companies Act, 2013 by Ministry of Corporate Affairs vide its notification dated March 24, 2021 the comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current year figures.

As per our report of even date
For Manish Pandey & Associates
Chartered Accountants
Firm Registration No. 019807C

For and on behalf of the Board of Directors of SILKY OVERSEAS LIMITED

Sd/-
Ravinder Panwar
Partner
Membership No. 549996
UDIN : 25549996BOOEAW7918
Place: Delhi
Date: 23.06.2025

Sd/-
Sawar Mal Goyal
(Managing Director)
DIN: 01896767

Sd/-
Amalendu Kumar
(CFO)
PAN- CMAPK0351C

Sd/-
Ananya Goyal
(Whole Time Director)
DIN: 07492850

Sd/-
Sakshi Sareen
(Company Secretary)
PAN-CWCPS 9777A

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(All amounts are in Indian Rupees lakhs, except share data or as stated)

STATEMENT OF PRINCIPAL TERMS OF LOANS AND ASSETS CHARGED AS SECURITY AS RESTATED

Annexure :- XLIII

| Name of Lender/Fund | Nature of Facility | Date of Sanction | Securities offered | Re-Payment Period | Rate of Interest | Sanctioned Amount (In Lakhs Rs.) | Outstanding amount (In Lakhs Rs.) | | | |
|----------------------------|---------------------------|------------------|--|--|------------------|----------------------------------|-----------------------------------|----------------|----------------|----------------|
| | | | | | | | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| 4.1. Long term Borrowings: | | | | | | | | | | |
| SECURED LOANS | | | | | | | | | | |
| Term Loan: | | | | | | | | | | |
| HDFC Bank | Term Loan | January 27, 2023 | Primary Security - Stock, Book Debt , Plant & Machinery, Collateral Security - PG Plant & Machinery, Property 1 (1600 Sqft) - Residential Flat /Apartment - Khewat No 123, Kila No 17/2, 143 Mustil No - 17739049SONIPAT 1690 Sqft, Property 2 - Commercial Office (90 Sqft) - A-48, First Floor Wazirpur Industrial Area - 110016 (90n, Property 3 (1800 Sqft) - Residential Flat/Apartment - Third Floor, Engineers Enclave, Pitampura,Property No - 44, New Delhi - 110034 | Repayable in 43 Equated Monthly Instalment | 9.00% | 150.00 | - | - | 76.12 | 123.66 |
| HDFC Bank | Term Loan | January 27, 2023 | | Repayable in 43Equated Monthly Instalment | 9.00% | 150.00 | - | - | 61.45 | 104.01 |
| HDFC Bank | Term Loan | January 27, 2023 | | Repayable in 62 Equated Monthly Instalment | 9.00% | 150.00 | - | - | 107.43 | 135.19 |
| HDFC Bank | Term Loan | January 27, 2023 | | Repayable in 60 Equated Monthly Instalment | 9.00% | 250.00 | - | - | 194.25 | 221.84 |
| HDFC Bank | Term Loan | January 27, 2023 | | Repayable in 84 Equated Monthly Instalment | 9.00% | 275.00 | - | - | 240.63 | 269.55 |
| Bank of Baroda | Term Loan | October 31, 2023 | Primary Security -First Charge via hypothication of entire Stock, Book Debt & Current Assets of company (Current & Future) Common Primary security -1) Hypothication of Plant and Machinery both present and future. 2)Hypotication of plant and machinery (Indigenous & Imported) both present and future, Electrical Equipment and misc. Assets. Collateral Security - 1)Equitable Mortgage of Industrial property built over Non Agricultural land located at Khewat no. 123, Khatoni no. 143, Mustil No. 17, Killa No. 17/2 (0-4), Killa No. 18 (3-0), Killa No. 19/1 (2-13), Killa No. 22/2 (4-11), Killa No. 23 (7-11), Killa No. 24/1 (0-15), Mustil no. 36, Killa No. 2/2 (4-11), Killa No. 3 (5-18), Killa No. 4/1/1 (0-10), On Pardhana Road, Village Jawahar, Tehsil Khanpur & Distt. Sonipat measuring 29 Kanal & 13 marla or 3.71 acres approx. owned by M/s Silky Overseas Private Limited. 2)Equitable Mortgage on Residential House located at Property bearing No. 44, Third Floor, situated at Engineers Enclave, Pitampura, Delhi admeasuring 1598.77 Sq fts. The property is owned by Mr. Sawar Mal Goyal. 3)3. Negative lien over the Commercial office space located at A-48 Second Floor Wazirpur Industrial Area, Wazirpur New Delhi-110016 measuring 90 Sq ft in area which is owned by Mr. Sawar Mal | Repayable in 36 Equated Monthly Instalment | 11.40% | 95.84 | 54.07 | 80.70 | - | - |
| Bank of Baroda | Term Loan | October 31, 2023 | | Repayable in 75 Equated Monthly Instalment | 11.40% | 229.31 | 182.59 | 213.17 | - | - |
| Bank of Baroda | Term Loan | October 31, 2023 | | Repayable in 46 Equated Monthly Instalment | 11.40% | 178.15 | 117.86 | 156.59 | - | - |
| Bank of Baroda | Term Loan | October 31, 2023 | | Repayable in 21 Equated Monthly Instalment | 11.40% | 59.40 | - | 32.06 | - | - |
| Bank of Baroda | Term Loan | October 31, 2023 | | Repayable in 13 Equated Monthly Instalment | 11.40% | 43.08 | - | 21.16 | - | - |
| Bank of Baroda | Working Capital Term Loan | October 31, 2023 | | Repayable in 60 Equated Monthly Instalment | 12.40% | 765.00 | 573.75 | 701.25 | - | - |
| | | | | | | 2,345.78 | 928.28 | 1,204.93 | 679.87 | 854.24 |

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Annexure :-

XLIII

| Name of Lender/Fund | Nature of Facility | Date of Sanction | Securities offered | Re-Payment Period | Rate of Interest | Sanctioned Amount (In Lakhs Rs.) | Outstanding amount (In Lakhs Rs.) | | | |
|--------------------------------------|---|-------------------|--|--|------------------|----------------------------------|-----------------------------------|-----------------|----------------|----------------|
| | | | | | | | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Auto/Vehicle Loan: | | | | | | | | - | -31.29 | -45.79 |
| HDFC Bank | Car Loan | November 30, 2021 | Hypothecation of the vehicle for which loan is obtained | Repayable in 60 Equated Monthly Instalment | 7.25% | 17.78 | - | - | 13.92 | 17.04 |
| Axis Bank* | Car Loan | | Hypothecation of the vehicle for which loan is obtained | Repayable in 60 Equated Monthly Instalment | 0.00% | 11.47 | - | - | - | 0.32 |
| | | | | | | - | - | - | - | - |
| | | | | | | 29.25 | - | - | 13.92 | 17.36 |
| Total | | | | | | 2,375.03 | 928.28 | 1,204.93 | 693.79 | 871.60 |
| UNSECURED LOANS | | | | | | | | | | |
| From Bank | | | | | | - | - | - | - | - |
| HDFC Bank* | Term Loan | June 23, 2021 | N.A. | | | 35.00 | - | - | 17.37 | 28.43 |
| | | | | | | - | - | - | - | - |
| From Director & Relatives | | | NA | | | - | - | - | - | - |
| Loan from Director | | | | | | - | - | - | - | - |
| | | | | | | - | - | - | - | - |
| Total | | | | | | 35.00 | - | - | 17.37 | 28.43 |
| Total (Long Term Borrowings) | | | | | | 2,410.03 | 928.28 | 1,204.93 | 711.16 | 900.04 |
| Short Term borrowings | | | | | | | | | | |
| SECURED LOAN | | | | | | | | | | |
| From Bank | | | | | | | | | | |
| HDFC Bank | Cash Credit (850 Lakhs Cash Credit + 200 Lakhs Seasonal credit) | January 27, 2023 | Primary Security - Stock, Book Debt , Plant & Machinery, Collateral Security - PG Plant & Machinery, Property 1 (1600 Sqft) - Residential Flat /Apartment - Khewat No 123, Kila No 17/2, 143 Mustil No - 17739049SONIPAT 1690 Sqft, Property 2 - Commercial Office (90 Sqft) - A-48, First Floor Wazirpur Industrial Area - 110016 (90n, Property 3 (1800 Sqft) - Residential Flat/Apartment - Third Floor, Engineers Enclave, Pitampura,Property No 44, New Delhi - 110034 | Repayable on Demand | 8.75% | 1,050.00 | - | - | 975.61 | 879.55 |

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(All amounts are in Indian Rupees lakhs, except share data or as stated)

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Annexure :- XLIII

| Name of Lender/Fund | Nature of Facility | Date of Sanction | Securities offered | Re-Payment Period | Rate of Interest | Sanctioned Amount (In Lakhs Rs.) | Outstanding amount (In Lakhs Rs.) | | | |
|--------------------------------------|--------------------|------------------|---|---------------------|------------------|--|-----------------------------------|-----------------|-----------------|-----------------|
| | | | | | | | January 31, 2025 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Bank of Baroda | Cash Credit | October 31, 2023 | Primary Security -First Charge via hypotication of entire Stock, Book Debt & Current Assets of company (Current & Future) Common Primary security -1) Hypothication of Plant and Machinery both present and future. 2)Hypotication of plant and machinery (Indigenous & Imported) both present and future, Electrical Equipment and misc. Assets. Collateral Security - 1)Equitable Mortgage of Industrial property built over Non Agricultural land located at Khewat no. 123, Khatoni no. 143, Mustil No. 17, Killa No. 17/2 (0-4), Killa No. 18 (3-0), Killa No. 19/1 (2-13), Killa No. 22/2 (4-11), Killa No. 23 (7-11), Killa No. 24/1 (0-15), Mustil no. 36, Killa No. 2/2 (4-11), Killa No. 3 (5-18), Killa No. 4/1/1 (0-10), On Pardhana Road, Village Jawahar, Tehsil Khanpur & Distt. Sonipat measuring 29 Kanal & 13 marla or 3.71 acres approx. owned by M/s Silky Overseas Private Limited. 2)Equitable Mortgage on Residential House located at Property bearing No. 44, Third Floor, situated at Engineers Enclave, Pitampura, Delhi admeasuring 1598.77 Sq fts. The property is owned by Mr. Sawar Mal Goyal. 3)3. Negative lien over the Commercial office space located at A-48 Second Floor Wazirpur Industrial Area, Wazirpur New Delhi-110016 measuring 90 Sq ft in area which is owned by Mr. Sawar Mal | Repayable on Demand | 11.40% | 1380 (1130 Lakhs CC Limit + 250 Lakh Adhoc Limit for 60 days) | 1,108.18 | 1,140.83 | | |
| UNSECURED LOANS | | | | | | | | | | |
| From Bank | | | | | | | | | | |
| From Director & Relatives | | | | | | | | | | |
| Loans from Related Party | | | | | | | | | | |
| | | | | | | - | - | - | - | - |
| | | | | | | - | 38.23 | 226.71 | 1,088.25 | 1,283.62 |
| | | | | | | - | 1,146.41 | 1,367.54 | 2,063.86 | 2,163.16 |

DISCLOSURE UNDER AS 15 AS RESTATED

Annexure :-

XLIV

I. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

- Employee State Insurance Fund
- Employee Provident Fund

The expense recognised during the period towards defined contribution plan -

(Amount in Lakhs, Unless Otherwise Stated)

| Particulars | For ten months period ended 31.01.2025 | For the year ended 31.03.2024 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|--|-------------------------------|-------------------------------|-------------------------------|
| Employers Contribution to Employee Provident Fund & ESI | 4.39 | 7.03 | 9.32 | 10.08 |

II. Defined benefit plans

Gratuity

The Company should provide for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of INR 20,00,000/-.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Amount in Lakhs, Unless Otherwise Stated)

| Defined benefit plans | For ten months period ended 31.01.2025 | For the year ended 31.03.2024 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|--|-------------------------------|-------------------------------|-------------------------------|
| | Gratuity (Unfunded) | Gratuity (Unfunded) | Gratuity (Unfunded) | Gratuity (Unfunded) |
| I Expenses recognised in statement of profit and loss during the year: | | | | |
| Current service cost | 15.58 | 10.62 | 13.44 | 7.04 |
| Past service cost | - | - | - | - |
| Expected return on plan assets | - | - | - | - |
| Net interest cost / (income) on the net defined benefit liability / (asset) | 2.32 | 2.79 | 1.29 | 0.68 |
| Immediate Recognition of (Gain)/Losses | 13.14 | (12.33) | 4.75 | 0.71 |
| Loss (gain) on curtailments | - | - | - | - |
| Total expenses included in Employee benefit expenses | 0.00 | 0.00 | 0.00 | 0.00 |
| Discount Rate as per para 78 of AS 15 R (2005) | - | - | - | - |
| II Net asset /(liability) recognised as at balance sheet date: | - | - | - | - |
| Present value of defined benefit obligation | 0.00 | 0.00 | 0.00 | 0.00 |
| Fair value of plan assets | - | - | - | - |
| Funded status [surplus/(deficit)] | (0.00) | (0.00) | (0.00) | (0.00) |
| III Movements in present value of defined benefit obligation | | | | |
| Present value of defined benefit obligation at the beginning of the year | 0.00 | 0.00 | 0.00 | 9.35 |
| Current service cost | 0.00 | 0.00 | 0.00 | 0.00 |
| Past service cost | - | - | - | - |
| Interest cost | 0.00 | 0.00 | 0.00 | 0.00 |
| Actuarial (gains) / loss | 0.00 | (0.00) | 0.00 | 0.00 |
| Benefits paid | - | - | - | - |
| Present value of defined benefit obligation at the end of the year | 0.00 | 0.00 | 0.00 | 0.00 |
| Classification | | | | |
| Current liability | 12.45 | 9.65 | 6.76 | 4.50 |
| Non-current liability | 56.93 | 28.70 | 30.50 | 13.28 |

IV Sensitivity analysis method

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

V Actuarial assumptions:

(Amount in Lakhs, Unless Otherwise Stated)

| Particulars | For ten months period ended 31.01.2025 | For the year ended 31.03.2024 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|----------------------------------|--|-------------------------------|-------------------------------|-------------------------------|
| Expected Return on Plan Assets | NA | NA | NA | NA |
| Discount rate | 7.00% | 7.25% | 7.50% | 7.25% |
| Expected rate of salary increase | 5.00% | 5.00% | 5.00% | 5.00% |
| Mortality Rate During Employment | | | | |
| Retirement age | 58 | 58 | 58 | 58 |

Notes:

a. The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b. The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, for ten months period ended on January 31, 2025 and for the years ended March 31, 2024, 2023 and 2022 including the related notes and reports, included in this Red Herring Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these Forward-Looking Statements as a result of certain factors such as those described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on pages 34 and 25, respectively of this Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

We are dedicated manufacturers and suppliers of bedding essentials, specializing in blankets, bed sheets, comforters, and more. Our integrated manufacturing process encompasses knitting, dyeing, processing, printing, and packaging, all under one roof. This ensures efficient bulk production without compromising on the quality that guarantees comfort and luxury throughout the night, allowing you to wake up revitalized and ready to embrace each day with vigour. Our diverse product portfolio includes a range of crafted items such as blankets, baby blankets, comforters, bedsheets and curtains. These products are thoughtfully designed and curated by our team of experienced professionals and designers, utilizing adequate machinery and techniques. With a commitment to quality and contemporary aesthetics, our designs resonate with modern preferences while maintaining a timeless appeal. Our commitment to quality is further demonstrated by our ISO 9001:2015 certification, obtained from the United Registrar of Systems certification body.

We manufacture products based on the order specifications received from our customers to meet their requirements. We believe that maintaining a range of products in our business provides us with an opportunity to cater to the diverse needs of different customer segments. Further, we believe that we have experience resources, and a network that can be customized and leveraged to cater to a wider range of bulk packaging containers as per the requirements of the customers. The Company is enhancing its product range as well as its client base so the dependency on a few customers for sale can be avoided

For more details kindly refer our chapter titled "Our Business" on page 123 of this Red Herring Prospectus.

Significant Developments Subsequent to The Last Financial Year

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the previous twelve months except:

- Our Company was converted from a Private Limited Company to Public Limited Company vide resolution passed in its members meeting dated October 19, 2023 and a fresh certificate of incorporation consequent to conversion was issued on November 07, 2023 by the Registrar of Companies, Delhi bearing Corporate Identification Number U17110DL2016PLC298888.
- The company increased its's Authorised equity share capital from ₹4,00,00,000/- to ₹15,00,00,000/- vide resolution passed in its members meeting dated November 25, 2023.
- The Company issued 6,07,523 Equity Shares fully paid equity share of ₹10/- each at a premium of ₹72.30 each at an aggregate nominal value of 4,99,99,123 to its existing share holder for cash, vide resolution passed in its members meeting dated November 26, 2023 effect of this right issue has been considered to calculate EPS.
- The Board of our Company has approved to raise funds through initial public offering in the Board meeting held on June 02, 2024.

- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on June 11, 2024.

Factors Affecting Our Results of Operations

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

1. Identifying Target Market
2. Continue improving financial performance through a focus on operational and functional efficiencies
3. Continue to add to product portfolio by introducing new products
4. Improving & maintaining functional efficiencies
5. First Order Success
6. Key Customer Relationship Building
7. Change in price of Raw material
8. Change in Technology
9. Change in preferences and taste of the customers

Our business is subjected to various risks and uncertainties, including those discussed in the section titled 'Risk Factors' beginning on page 34 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

Key Performance Indicators of our Company

The following table set forth certain key performance indicators for the years indicated:

(₹ in Lakhs)

| Key Financial Performance | Ten months period ended January 31, 2025 | Financial Year ended March 31, 2024 | Financial Year ended March 31, 2023 | Financial Year ended March 31, 2022 |
|--|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Revenue from Operations ⁽¹⁾ | 10,501.15 | 6,970.49 | 6,830.76 | 5,012.10 |
| EBITDA ⁽²⁾ | 1,508.34 | 1,101.46 | 535.09 | 296.59 |
| EBITDA Margin ⁽³⁾ % | 14.36 | 15.80 | 7.83 | 5.92 |
| PAT | 917.07 | 553.48 | 98.22 | (41.77) |
| PAT Margin ⁽⁴⁾ % | 8.73 | 7.94 | 1.44 | (0.83) |
| Networth ⁽⁵⁾ | 2,431.08 | 1,514.02 | 460.54 | 359.07 |
| RoE % ⁽⁶⁾ | 37.72 | 36.56 | 21.33 | (11.63) |
| RoCE% ⁽⁷⁾ | 45.12 | 39.54 | 30.95 | 10.09 |

Notes:

⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Finance Costs - Other Income

⁽³⁾ 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

⁽⁵⁾ Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings.

Explanations for KPI Metrics

| KPI | Explanation |
|------------------------|---|
| Revenue from Operation | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business in key verticals |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin (%) | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business |
| PAT | 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. |

| | |
|-----------|---|
| Net Worth | Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity. |
| RoE% | RoE provides how efficiently our Company generates profits from Shareholders' Funds |
| RoCE% | ROCE provides how efficiently our Company generates earnings from the capital employed in the business. |

For further detail on Key Performance Indicators of our company, please refer Chapter Titled “*Basis of Offer Price*” on page 98 of this Red Herring Prospectus.

STATEMENT OF SIGNIFICANT POLICIES

Corporate Information:

1. Company Background

Silky Overseas Limited is a Public Company domiciled in India originally incorporated as Silky Overseas Private Limited vide certificate of incorporation consequent upon conversion to Public Limited Company dated 17th November, 2023 issued by Registrar of Companies, Delhi, being Corporate Identification Number U17110DL2016PLC298888.

The company is in the business of manufacturing of Blankets & Trading of Comforters, bed Sheets, Curtains, yarn & Other Fabrics. The Company primarily caters to the Indian market.

1.1 Basis of preparation of financial statements

(a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.

(b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.

(c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

1.2 Revenue Recognition

(a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.

(b) Revenue is recognised to the extent that it is possible that, the economic benefits will flow to the company and the revenue can be reliably estimated and collectability is reasonably assured.

(c) Revenue from sale of goods and services are recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

(d) Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and service tax etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

(e) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

1.3 Property, Plant & Equipment and Intangible Assets & Depreciation

(a) Property, Plant and Equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use.

(b) Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

(c) Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognised in the statement of profit and loss when the same is derecognised.

(d) Depreciation is calculated on pro rata basis on straight line method (SLM) based on estimated useful Life as prescribed under Part C of Schedule - II of the Companies Act, 2013. Freehold land is not depreciated.

(e) Intangible asset purchased are initially measured at cost. The cost of an intangible asset comprises its purchase price including duties and taxes and any costs directly attributable to making the asset ready for their intended use. The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives.

1.4 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

1.5 Investments

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

1.6 Inventories

Inventories consisting of Raw Materials, W-I-P, Finished Goods and Stores & Spares are valued at lower of cost and net realizable value unless otherwise stated. Cost of inventories comprises of material cost on FIFO basis and expenses incurred in bringing the inventories to their present location and condition.

1.7 Employee Benefits

i) Short term employee benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognized as expenses in the period in which the employee renders the related service.

ii) Defined Contribution Plan:

The Company has Defined Contribution Plans for Post-employment benefits in the form of Provident Fund for all employees which are administered by Regional Provident Fund Commissioner. Provident Fund and Employee State Insurance are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

iii) Defined Benefit Plan:

Unfunded Plan the Company has a defined benefit plan for post-employment benefit in the form of Gratuity. Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

1.8 Borrowing Costs

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

1.9 Taxes on Income

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

1.10 Earnings per share (EPS)

(a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.11 Prior Period Items

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements if any.

1.12 Provisions/Contingencies

(a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

(c) A Contingent Asset is not recognized in the Accounts.

1.13 Segment Reporting

A. Business Segments:

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment which is engaged in business of manufacturing Blankets and trading of Comforters, bed Sheets & Curtains and has manufacturing facilities in India. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.

B. Geographical Segments:

The Company activities/operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

1.14 Foreign Currency Transactions

Foreign exchange transactions are recorded at the rate prevailing on the date of respective transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. 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 transaction. Exchange differences arising on foreign exchange transactions settled during the year and on restatement as at the balance sheet date are recognized in the statement of profit and loss for the year.

1.15 Balance Confirmations

Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.

1.16 Reporting

Previous years figures have been regrouped and reclassified wherever necessary to match with current year grouping and classification.

Discussion on Results of Operation

The following discussion on results of operations should be read in conjunction with the Restated Financial Results of our Company for ten months period ended on January 31, 2025 and the financial years ended on March, 31 2024, 2023 and 2022.

Results of Our Operations

The following table sets forth select financial data from our Financial Statements as Restated Profit and Loss for ten months period ended on January 31, 2025 and the financial years ended on March 31, 2024, 2023 and 2022 the components of which are also expressed as a percentage of total revenue for such periods:

| (₹ in Lakhs) | | | | | | | | |
|--|--|-------------------|-------------------------------|-------------------|-------------------------------|-------------------|-------------------------------|-------------------|
| Particulars | For ten months period ended 31.01.2025 | % of Total income | For the year ended 31.03.2024 | % of Total income | For the year ended 31.03.2023 | % of Total income | For the year ended 31.03.2022 | % of Total income |
| Revenue from operations | 10,501.15 | 99.68% | 6,970.49 | 99.21% | 6,830.76 | 99.93% | 5,012.10 | 99.91% |
| Other income | 33.80 | 0.32% | 55.76 | 0.79% | 4.69 | 0.07% | 4.68 | 0.09% |
| Total Income (A) | 10,534.96 | 100.00% | 7,026.25 | 100.00% | 6,835.44 | 100.00% | 5,016.78 | 100.00% |
| Expenses: | | | | | | | | |
| Cost of Materials Consumed | 5,799.17 | 55.05% | 5,644.75 | 80.34% | 5,849.50 | 85.58% | 4,438.92 | 88.48% |
| Purchase of Stock in Trade | 2,332.48 | 22.14% | 580.62 | 8.26% | 176.31 | 2.58% | 568.36 | 11.33% |
| Change in Inventory of Stock in Trade and Finished Goods | 548.05 | 5.20% | (743.82) | (10.59)% | (104.97) | (1.54)% | (591.68) | (11.79)% |
| Employee Benefit Expenses | 148.01 | 1.40% | 132.33 | 1.88% | 130.09 | 1.90% | 125.41 | 2.50% |
| Other Expenses | 160.19 | 1.52% | 255.14 | 3.63% | 236.23 | 3.46% | 173.17 | 3.45% |
| Total Expenses (B) | 8,987.90 | 85.32% | 5,869.03 | 83.53% | 6,287.16 | 91.98% | 4,714.19 | 93.97% |
| Earnings Before Interest, Taxes, Depreciation & Amortization(C=A-B) | 1,547.06 | 14.68% | 1,157.22 | 16.47% | 548.28 | 8.02% | 302.59 | 6.03% |

| | | | | | | | | |
|---|-----------------|---------------|---------------|---------------|---------------|--------------|----------------|----------------|
| Finance Cost (D) | 161.91 | 1.54% | 197.20 | 2.81% | 158.60 | 2.32% | 147.63 | 2.94% |
| Depreciation and Amortization Expenses (E) | 147.35 | 1.40% | 209.31 | 2.98% | 242.29 | 3.54% | 195.21 | 3.89% |
| Profit before Exceptional Items | 1,237.80 | 11.75% | 750.70 | 10.68% | 147.38 | 2.16% | (40.26) | (0.80)% |
| Exceptional Items | (4.91) | (0.05)% | - | 0.00% | (8.50) | (0.12)% | (1.31) | (0.03)% |
| Profit/(Loss) before Tax | 1,232.88 | 11.70% | 750.70 | 10.68% | 138.88 | 2.03% | (41.57) | (0.83)% |
| Tax Expenses: | | | | | | | | |
| Current Tax | 328.92 | 3.12% | 201.34 | 2.87% | 51.04 | 0.75% | - | - |
| Deferred Tax | (11.71) | (0.11)% | (4.12) | (0.06)% | (10.38) | (0.15)% | (5.44) | (0.11)% |
| Earlier Year tax | (1.40) | (0.01)% | - | - | - | - | 5.64 | 0.11% |
| Profit/(Loss) for the year | 917.07 | 8.71% | 553.48 | 7.88% | 98.22 | 1.44% | (41.77) | (0.83)% |

Overview of Revenue and expenditure

Revenue and Expenditure

Total Income: Our total income comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations comprises of Sales from manufacturing of products, Sales from trading of Products, and Other Operating Revenue which consist of Sale of Scrap, Rebate & Discount and Interest income from Customers.

Other Income: Our other income consists of Interest Income from Loan & Deposit, Other Interest, Other Income, Commission received, Miscellaneous Write Back.

Expenses: Our expenses comprise of Cost of Material Consumed, Purchase of Stock in Trade, Change in Inventories of work in progress and finished goods, Employee Benefit Expenses, Finance Cost, Depreciation and Amortisation Expenses and Other Expenses.

Cost of Raw Material Consumed: Our Raw Material consumed consists of change in stock of Raw Material, Consumption of Stores and Spare parts and Direct Expenses which further includes Manufacturing expenses, Power & Fuel and Freight.

Changes in Inventories: Our Changes in Inventories comprises of change in Stock of Finished goods, Work-in-progress, Stock in trade and scrapes from the beginning of the year to the end of the year.

Employee Benefit Expenses: Our employee benefit expense consists of Salaries, Contribution to provident and other funds, Staff welfare expenses, Director Remuneration, Bonus, Gratuity, Employee Transport Cost.

Finance Cost: Our finance costs comprise of Interest on Term Loan, Working capital term loan and other borrowings.

Depreciation and amortisation expenses: Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on Property, Plant & Equipment & Intangible Assets.

Other expenses: Other expenses includes Payment to auditors , Commission, Freight , Insurance, Job Work Expenses, Legal and professional charges, Loss on Sales of Assets , Statutory Interest Demand, Penalty & Late Fees , Rent, Building, Machinery, Others, Rates and Taxes, Sales Promotion Expenses, Postage, Telephone & Internet Expenses, Printing and Stationery, Travelling Expenses, Miscellaneous expenses, Rebate and Discount , Provision for doubtful debts , Fees & Subscriptions, Office Expenses, Security Expenses, Vehicle Running & Maintenance, Website & Software Expenses, MSME Interest.

Tax Expenses: Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the Income Tax Act, 1961.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date

of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

DISCUSSION FOR TEN MONTHS PERIOD ENDED ON JANUARY 31, 2025

Income

Total Income: Our total income for ten months period ended January 31, 2025, is ₹10,534.96 Lakhs, which comprises of Revenue from Operations and Other Income.

Revenue from Operations:

Our revenue from operations for ten months period ended January 31, 2025, is ₹10,501.15 Lakhs, representing 99.68% of the total income. This primarily includes domestic sales from the manufacturing of products, domestic sales from trading of products, export sales, and other operating revenue. The other operating revenue consists of proceeds from the sale of scrap and income from rebates and discounts.

Other Income:

Our other income for ten months period ended January 31, 2025, is ₹33.80 lakhs, which accounts for 0.32% of the total income. This comprises of Interest Income from Loan & Deposit, Other Income, Commission received, Miscellaneous Write Back and Foreign Exchange Gain.

Expenses

Our total expenses, excluding finance costs, depreciation and amortization and tax expenses, for the ten months period ended January 31, 2025 amounted to ₹8,987.90 Lakhs, which is 85.32% of the total income for the period. The major components of these expenses are discussed below.

Cost of Raw Material Consumed:

Our cost of materials consumed during the ten months period ended January 31, 2025 was ₹5,799.17 Lakhs, representing 55.05% of the total income. This includes changes in stock of raw materials, consumption of stores and spare parts, and direct expenses, which further include wages, power and fuel, and freight inward.

Purchase of Stock in Trade:

Our purchase of stock in trade stood at ₹ 2,332.48 Lakhs for the ten months period ended January 31, 2025, accounting for 22.14% of the total income.

Changes in Inventories:

Our net change in inventories is ₹ 548.05 Lakhs for the ten months period ended January 31, 2025 with is 5.20% of total income. This includes changes in opening and closing inventory of stock of finished goods, work-in-progress, stock-in-trade, and scrap.

Employee Benefits Expenses:

Our Employee Benefit Expenses for the ten months period ended January 31, 2025, is ₹ 148.01 Lakhs, which is 1.40% of total income. This includes Salaries, Contribution to provident and other funds, Staff welfare expenses, Director Remuneration, Bonus, and Gratuity.

Finance Costs:

Our Finance Cost is ₹ 161.91 Lakhs, which is 1.54% of Total Income for the ten months period ended January 31, 2025. This comprises of Interest on Term Loan and Working capital term loan and Bank Charges.

Depreciation and Amortization Expenses:

Our Depreciation and Amortization Expenses are ₹ 147.35 Lakhs, which is 1.40% of total income for the ten months period ended January 31, 2025.

Other Expenses:

Our Other expenses are ₹ 160.19 Lakhs, which is 1.52% of the Total Income for the ten months period ended January 31, 2025. These expenses includes Payment to auditors, Commission, Freight, Insurance, Job Work Expenses, Legal and professional charges, Statutory Interest Demand, Penalty & Late Fees , Rent, Repairs and Maintenance to Building, Machinery and Others, Rates and Taxes, Sales Promotion Expenses, Postage, Telephone & Internet Expenses, Printing and Stationery, Travelling Expenses, Miscellaneous expenses, Rebate and Discount , Bad debts, Office Expenses, Security Expenses, Vehicle Running & Maintenance, Website & Software Expenses and Interest on MSME.

Exceptional Items:

Our Exceptional Items are ₹ 4.91 Lakhs, which is 0.05% of the Total Income for the ten months period ended January 31, 2025. This includes prior period items and CSR Expenses.

Profit Before Tax:

Our Profit before Tax is ₹ 1,232.88 Lakhs for the ten months period ended January 31, 2025, which is 11.70% of Total Income for the period.

Tax Expenses:

Our Tax expenses are ₹ 315.81 Lakhs for the ten months period ended January 31, 2025, which is 3.00% of Total Income for the period.

Profit After Tax:

Our Profit for the ten months period ended January 31, 2025 is ₹ 917.07 Lakhs which is 8.71% of the Total Income for the period ended January 31, 2025.

COMPARISON OF FY 2023-24 WITH FY 2022-23

Income

Total Income: Our Total Income increased by ₹ 190.81 lakhs, from ₹ 6835.44 lakhs for the financial year ended March 31, 2023 to ₹ 7026.25 lakhs for the financial year ended March 31, 2024, due to the factors described below:

Revenue from operations

Our Revenue from operations increased by ₹ 139.73 lakhs, from ₹ 6830.76 lakhs for the financial year ended March 31, 2023, to ₹ 6970.49 lakhs for the financial year ended March 31, 2024, representing a growth of 2.05% on account of increase and expansion of sale of Sales from manufacturing of products, Sales from trading of Products, Increase of E-Commerce sale and Other Operating Revenue which consist of Sale of Scrap, Rebate & Discount and Interest income from Customers.

Other Income

Our other income increased by ₹ 51.07 lakhs, from ₹ 4.69 lakhs for the financial year ended March 31, 2023, to ₹ 55.76 lakhs for the financial year ended March 31, 2024, representing a growth of 1089.79% due to increase in Commission received (sales commission) by ₹ 50.75 Lakhs and remaining from Miscellaneous Write Back.

Expenses

Our Total Expenses excluding finance cost, depreciation and tax expenses was ₹ 5869.03 lakhs for the year ended March 31, 2024 as compared to ₹ 6287.16 Lakhs for the financial year March 31, 2023, representing decreased of 6.65% due to the factors described below: -

Cost of Raw Material Consumed

Our Cost of Materials Consumed decreased by ₹ 204.75 lakhs, from ₹ 5,849.5 lakhs for the financial year ended March 31, 2023 to ₹ 5,644.75 lakhs for the financial year ended March 31, 2024. due to decrease in Purchases price of goods on account of strategic purchases and better negotiations, sale as semi-finished goods with low cost of conversion and decrease in wages due to enhanced process of production.

Changes in Inventories

Our Net Change in Inventory of Work-in-Progress and Finished Goods decreased by ₹ 638.85 lakhs, from ₹ (104.97) lakhs for the financial year ended March 31, 2023 to ₹ (743.82) lakhs for the financial year ended March 31, 2024 representing an decrease of 608.60% due to increase in closing inventory of finished goods, Work in progress, Stock in trade and Scrap.

Purchase of Stock in Trade

Our Purchase of Stock in Trade increased by ₹ 404.32 lakhs, from ₹ 176.31 lakhs for the financial year ended March 31, 2023, to ₹ 580.62 lakhs for the financial year ended March 31, 2024 representing an increase of 229.32% due to increase in purchase of stock in trade.

Traded goods have been purchased as per the order book of the company and depends on the demand at the time. Hence the variation of stock in Trade is purely demand and supply managed system which changes and varies from season to season.

Employee Benefits Expenses

Our Employee Benefit Expenses increased by ₹ 2.25 lakhs, from ₹ 130.09 lakhs for the financial year ended March 31, 2023, to ₹ 132.33 lakhs for the financial year ended March 31, 2024, representing an increase of 1.73% due to increase in Salary and wages which was partially set off against decrease in Gratuity Expenses.

Finance Costs

Our Finance Cost was ₹ 197.2 lakhs for the year ended March 31, 2024 as compared to ₹ 158.6 Lakhs for the financial year March 31, 2023, representing increase of 24.34%, on account of increase in Interest on Term Loan, Working capital term loan and other borrowings.

Depreciation and Amortization Expense

Our Depreciation and Amortization Expenses decreased by ₹ 32.98 lakhs, from ₹ 242.29 lakhs for the financial year ended March 31, 2023, to ₹ 209.31 lakhs for the financial year ended March 31, 2024, representing decrease of 13.61% due to change in accounting estimate of useful life of Fixed assets and due lapse of time.

Other Expenses

Our Other Expenses increased by ₹ 18.91 lakhs, from ₹ 236.23 lakhs for the financial year ended March 31, 2023, to ₹ 255.14 lakhs for the financial year ended March 31, 2024, which is 3.46% and 3.63% of the total revenue of respective years, representing an increase of 8%, due to Payment to auditors, Commission, Legal and professional charges, Loss on Sales of Assets, Statutory Interest, Demand, Penalty & Late Fees, Building, Machinery, Rates and Taxes, Sales Promotion Expenses, Postage, Telephone & Internet Expenses, Travelling Expenses, Miscellaneous expenses, Rebate and Discount, Website & Software Expenses, MSME Interest.

Exceptional Items

Our Exceptional Items decreased by ₹ 8.5 lakhs, from ₹ 8.5 lakhs pertains to prior period expenses for the financial year ended March 31, 2023, to Nil for the financial year ended March 31, 2024.

Profit Before Tax

Our profit before tax Increased by 611.82 from ₹138.88 lakhs in FY 2023 to ₹750.70 lakhs in FY 2024, representing a growth of 440.54%, which is driven by several strategic improvements:

1. Reduction in Power and Fuel Expenses:

- Our investment in a solar power plant led to a substantial reduction in power and fuel expenses, decreasing costs from ₹412.72 lakhs in FY 2023 to ₹294.77 lakhs in FY 2024. This resulted in a cost saving of ₹117.95 lakhs.

2. Decrease in Wage Costs:

- The manufacturing process has been changed which includes shifting from double shifts to single shifts and reduction in raw material consumption, due to which we reduced our wage costs from ₹534.50 lakhs in FY 2023 to ₹438.82 lakhs in FY 2024. This adjustment resulted in a wage cost reduction of ₹95.68 lakhs.

3. New Commission Income:

- In FY 2024, we saw new commission income of ₹50.75 lakhs received for executing a sale contact between two parties which impacted positively to our profit before tax.

4. Decrease in Depreciation Costs:

- Depreciation costs decreased from ₹242.29 lakhs in FY 2023 to ₹209.31 lakhs in FY 2024 due to the lapse of time and changes in the useful life of assets. This reduction in depreciation costs amounted to ₹32.98 lakhs.

Tax Expenses

Our Tax expenses increased by ₹ 156.57 lakhs, from ₹ 40.66 lakhs for the financial year ended March 31, 2023, to ₹ 197.22 lakhs for the financial year ended March 31, 2024, on account of increase in deferred tax and Current tax due to increase in profits.

Profit After Tax

Our profit after tax increased by ₹455.26 lakhs from ₹98.22 lakhs in FY 2022-23 and to ₹553.48 lakhs in FY 2023-24, which is driven by several strategic improvements

Summary of Profit and Loss Account along with Changes is as follows:

(₹ in Lakhs)

| Particulars | For the period ended March 31, 2024 | For the period ended March 31, 2023 | Net Change | Remarks |
|--|-------------------------------------|-------------------------------------|------------|---------------------|
| <u>Income</u> | | | | |
| Revenue from Operations | 6,970.49 | 6,830.76 | (139.73) | Justification No.1 |
| Other Income | 55.76 | 4.69 | (51.07) | Justification No.2 |
| | | | | |
| <u>Expenses</u> | | | | |
| Cost of Material Consumed | 5,644.75 | 5,849.50 | (204.75) | Justification No.3 |
| Purchase of Stock in Trade | 580.62 | 176.31 | 404.32 | Justification No.4 |
| Change in Inventories of work in progress and finished goods | (743.82) | (104.97) | (638.85) | Justification No.4 |
| Employee Benefit Expenses | 132.33 | 130.09 | 2.25 | Justification No.6 |
| Finance Costs | 197.20 | 158.60 | 38.60 | Justification No.7 |
| Depreciation and Amortization Expenses | 209.31 | 242.29 | (32.98) | Justification No.5 |
| Other Expenses | 255.14 | 236.23 | 18.91 | Justification No.8 |
| Total expenses | 6,275.55 | 6,688.06 | (412.52) | |
| | | | - | |
| Profit/(Loss) before Extraordinary item and Tax | 750.70 | 147.38 | (603.32) | |
| Prior period item | - | (8.50) | (8.50) | Justification No.9 |
| Profit/(Loss) before Tax | 750.70 | 138.88 | (611.82) | |
| Tax Expenses | | | | |
| -Current Tax | 201.34 | 51.04 | 150.30 | Justification No.10 |
| -Deferred Tax | (4.12) | (10.38) | 6.26 | Justification No.10 |
| -Earlier Year tax | - | - | - | |
| Profit/(Loss) for the year | 553.48 | 98.22 | (455.26) | Conclusion |

Justification No.1

Revenue from Operations : Our Revenue from Operation increased by ₹139.73 Lakhs from ₹6,830.76 Lakhs for FY 2022-23 to ₹6,970.40 for FY 2023-24 due to nominal increase in Sale by 2%. The details of the same are as follows:

| Sr. No. | Particulars | 2023-24 | 2022-23 |
|---------|-------------------------------------|--------------|--------------|
| I | Revenue from Operation (₹ In Lakhs) | 6,970.49 | 6,830.76 |
| II | Sale Quantity (Units) | 4,120,316.12 | 4,159,754.60 |

| | | | |
|------|---|-------------|--------|
| III | Average Selling Price per unit (In ₹) | 169.17 | 164.21 |
| IV | Increase in average selling price per unit (In ₹) in 23-24 as compared to 22-23 | 5.07 | |
| V | Decrease in sale quantity (Units) in 23-24 as compared to 22-23 | (42,151.48) | |
| VI | Additional revenue on account of increase in sale price (₹ In Lakhs) (II (for 22-23) *IV) | 211.09 | |
| VII | Reduction of revenue on account of decrease in sale quantity (₹ In Lakhs) (III(for 23-24) *V) | (71.36) | |
| VIII | Total additional revenue generated (VI+VII) | 139.73 | |

Justification No.2

Other Income: There was a total increase of ₹51.07 Lakhs in FY 2023-24 as compared to FY 2022-23. In FY 2023-24, the company had one time opportunity to execute certain sale contract with Premier Limates. For executing this sale, company earned a commission income from Premier Limates of ₹50.75 Lakhs and balance ₹0.32 Lakhs on account of miscellaneous income which impacted positively to our profit.

Justification No.3

Cost of Material Consumed:

The cost of raw material consumed has decreased by ₹204.75 Lakhs from FY 2022-23 to FY 2023-24 due to factors including but not limited to reduction in purchases during the year and savings in wages and power & fuel expenses towards production process. The details of the are mentioned below:

(₹ in Lakhs)

| Particulars | 2023-24 | 2022-23 | Difference |
|---------------------------------------|-----------------|-----------------|---------------|
| <u>Raw Materials</u> | | | |
| Opening stock | 423.82 | 151.11 | -272.71 |
| Add: Purchases during the year | 4,577.15 | 5,079.74 | |
| Less : Purchase of Diesel & Bio Fuel | (125.09) | | |
| Net Purchase | 4,452.06 | 5,079.74 | 627.68 |
| Less: Closing Stock | (51.45) | (423.82) | (372.37) |
| | | | |
| Consumption of stores and spare parts | 84.53 | 95.25 | 10.72 |
| <u>Add: Direct Expenses</u> | | | |
| Wages | 438.82 | 534.5 | 95.68 |
| Power and fuel | 169.68 | 412.72 | |
| Add : Diesel & Bio Fuel | 125.09 | | |
| Total Power and fuel | 294.77 | 412.72 | 117.95 |
| Freight Inward | 2.20 | - | (2.20) |
| Total | 5,644.75 | 5,849.50 | 204.75 |

The above reduction in Cost of raw material consumed involves following components:

- The manufacturing process has been changed which includes shifting from double shifts to single shifts and reduction in raw material consumption on account of change in strategy, due to which we reduced our wage costs from ₹534.50 lakhs in FY 2022-23 to ₹438.82 lakhs in FY 2023-24. This adjustment resulted in a wage cost reduction of ₹95.68 lakhs.

Details of Reduction in Wages cost is as follows:

| Sr. No. | Particulars | 2023-24 | 2022-23 |
|---------|--|-----------|-----------|
| I | Total Wages (₹ In Lakhs) | 438.82 | 534.50 |
| II | Total No. of workers employed during the year | 1,870 | 2,384 |
| III | Average Wages per Worker (I/II) | 23,466.23 | 22,420.29 |
| IV | Increase in Average Wages rate in 23-24 as compared to 22-23(In ₹) | 1,045.94 | |
| V | Reduction in Number of workers in 23-24 as compared to 22-23 on account of change from double shift to single shift and process optimization | 514 | |
| VI | Gross Cost saving in Wages due to reduction of number of workers (V*III(For 22-23)) (₹ In Lakhs) | 115.25 | |
| VII | Additional Wages paid in 23-24 as compared to 22-23 on account of increase in average wage rate (IV*II (for 23-24)) (₹ In Lakhs) | (19.56) | |

| | | |
|------|---|-------|
| VIII | Net Cost Saving in Wages(₹ In Lakhs) (VI-VII) | 95.68 |
|------|---|-------|

- Our Power and Fuel Expenses, decreased by ₹117.95 lakhs from ₹412.72 lakhs in FY 2022-23 to ₹294.77 lakhs in FY 2023-24. We investment in a solar power plant which led to a substantial reduction in Power expenses. The Solar power plant was purchased during March 2022 and it was operational from April 2022 onwards.

(Note: We have misinterpreted purchase of bio fuel into purchase of material which we have now rectified as mentioned above in table of Raw Material Consumption. We undertake to update the same in Red Herring Prospectus)

The table below shows bifurcation of Power and Fuel Expenses into Electricity Expenses and Diesel & Biofuel Expenses so as to provide better clarity on savings made on electricity expenses due to installation of solar power plant:

(₹ In Lakhs)

| Particulars | For the period/year ended | | |
|--|---------------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| <u>Power & Fuel</u> | | | |
| (a) Electricity Expenses | 160.85 | 252.21 | 267.44 |
| (b) Diesel & Bio Fuel Cost | 133.92 | 160.51 | 132.99 |
| (c) Less: Bio Fuel Cost included in Cost of Raw Material Purchased | (125.09) | - | (104.66) |
| Total | 169.68 | 412.72 | 295.77 |

The table below shows unit wise consumption of electricity and per unit saving in electricity expenses on account of installation of Solar Power Plant:

| Particulars | | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|-------|----------------|----------------|----------------|
| Total Units Consumed (including Solar) | (i) | 3,274,410 | 4,181,338 | 3,499,506 |
| Solar Units Produced and consumed | (ii) | 826,145 | 810,818 | - |
| Net Units consumed over and above Solar production-(i)-(ii) | (iii) | 2,448,265 | 3,370,520 | 3,499,506 |
| Total Electricity Expenses incurred (as per table-A above)-(iv)-in ₹ Lakhs | (iv) | 160.85 | 252.21 | 267.44 |
| Average Electricity cost per unit (including solar)-(iv)/(i) | (v) | 4.91 | 6.03 | 7.64 |
| Net Electricity cost per unit (excluding solar) =(iv)/(iii)-in ₹ | (vi) | 6.57 | 7.48 | 7.64 |
| Cost savings per unit due to Solar installation =(vi)-(v)-in ₹ | (vii) | 1.66 | 1.45 | - |

In addition to the savings on account of Solar Plant installation, there was savings in power & fuel under consumption of diesel and bio fuel due to change from double shift to single shift basis and reduction in number of workers as explained above.

- Towards the end for FY 2022-23 we have undergone the training program organized by Solidarid Regional Expertise Centre to optimize consumption of natural resources (Water & Energy), to further reduce consumption of hazardous chemicals in production activity and development of EMC (Environment Management Cell) which helped us to optimize our production processes which leads to optimum utilization of resources and optimization of cost of goods sold.

Additionally, we have undergone some more changes in our production process as follows:

We have installed following machineries and equipment's which leads to improvement in performance of machineries. All these items were installed in our polishing and finishing machines. These items helped in increasing the speed of our finishing machines which reduced production lead time and It further helped us to reduce the power and fuel consumption. All this developments lead to reduction in production cost.

The details of equipment's and machineries are as follows:

- Inovance 10 H.P. New Drive
- Ledger Blade
- Heater Rod 1700 Watt
- Washing Sensor
- Brushing Fillet Straight (94 meter)
- Brushing Fillet Angular (100 meter)

Also, we have requested for the chartered engineer certificate to analyze and certify the improved capacity due to installation of above machineries and equipment's. Earlier 4 rolls of 100 meters each were sent for drying (dryer machine runs on fuel) in one lot. Now, 4 rolls of 134 meters each are sent for drying. We designed a trolley system that could accommodate these 4 rolls of 134 meters in one lot. Now, 528 meters of fabric is dried at the same cost as compared to 400 meters of fabric earlier.

Following are the pictures of old and new trolleys:



Old Trolley



New Trolley

Justification No.4

Purchase of Stock in Trade and Changes in Inventory of Work in Progress and Finished Goods: Our Purchase and Stock in Trade increased by ₹404.32 Lakhs in FY 2023-24 as compared to FY 2022-23 whereas on the other hand our changes in inventory of finished goods, WIP and Stock in Trade by ₹(638.85) Lakhs. The net impact of increase in closing stock of finished goods, WIP and stock in trade of ₹234.53 Lakhs resulted in increase in profitability of the company.

Justification No.5

Depreciation and Amortization Expenses: Depreciation costs decreased from ₹242.29 Lakhs in FY 2022-23 to ₹209.31 lakhs in FY 2023-24 due to the lapse of time and changes in the useful life of assets. This reduction in depreciation costs amounted to ₹32.98 Lakhs

Justification No.6

Employee Benefit Expenses: Our Employee Benefit Expenses increased by ₹ 2.25 Lakhs, from ₹ 130.09 lakhs for FY 2022-23 to ₹ 132.33 Lakhs for FY 2023-24 due to increase in Salary and wages which was partially set off against decrease in Gratuity Expenses.

Justification No.7

Finance Cost: Our Finance Cost was increased by ₹38.60 Lakhs from ₹ 158.6 Lakhs for FY2022-23 to ₹ 197.2 Lakhs for FY 2023-24 on account of increase in Interest on Term Loan, Working capital term loan and other borrowings.

Justification No.8

Other Expenses: Our Other Expenses increased by ₹ 18.91 Lakhs, from ₹ 236.23 Lakhs for FY 2022-23 to ₹ 255.14 Lakhs for FY 2023-24 due to Payment to auditors, Commission, Legal and professional charges, Loss on Sales of Assets , Statutory Interest, Demand, Penalty & Late Fees, Building, Machinery, Rates and Taxes, Sales Promotion Expenses, Postage, Telephone & Internet Expenses, Travelling Expenses, Miscellaneous expenses, Rebate and Discount, Website & Software Expenses, MSME Interest.

Justification No.9

Prior period item: Our Exceptional Items decreased by ₹ 8.5 Lakhs, from ₹ 8.5 Lakhs for FY 2022-23 to Nil for FY 2023-24.

Justification No.10

Tax Expenses: Our Tax expenses increased by ₹ 156.57 Lakhs, from ₹ 40.66 Lakhs for FY 2022-23 to ₹ 197.22 lakhs for FY 2023-24 on account of increase in deferred tax and Current tax due to increase in profits.

Conclusion:

Considering the net increase and decrease in line items mentioned in justification no. 1 to 10, our net profit after tax has increased by ₹455.26 Lakhs from ₹98.22 Lakhs in FY 2022-23 and to ₹553.48 Lakhs in FY 2023-24.

COMPARISON OF FY 2022-23 WITH FY 2021-22

Income

Total Income: Our Total Income increased by ₹ 1818.66 lakhs, from ₹ 5016.78 lakhs for the financial year ended March 31, 2022, to ₹ 6835.44 lakhs for the financial year ended March 31, 2023, representing a growth of 36.25% due to the factors described below:

Revenue from operations

Our Revenue from operations increased by ₹ 1818.66 lakhs, from ₹ 5012.1 lakhs for the financial year ended March 31, 2022, to ₹ 6830.76 lakhs for the financial year ended March 31, 2023, representing a growth of 36.29% on account of increase and expansion of sale of products.

Other Income

Our Other income increased by ₹ 0.003 lakhs, from ₹ 4.68 lakhs for the financial year ended March 31, 2022, to ₹ 4.69 lakhs for the financial year ended March 31, 2023, representing a growth of 0.06% on account of increase of other income.

Expenses

Our Total Expenses excluding finance cost, depreciation and tax expenses was increased by ₹ 1572.97 lakhs, from ₹ 4714.19 lakhs for the financial year ended March 31, 2022, to ₹ 6287.16 lakhs for the financial year ended March 31, 2023, representing a growth of 33.37% due to the factors described below: -

Cost of Materials Consumed

Our Cost of Materials Consumed increased by ₹ 1410.58 lakhs, from ₹ 4438.92 lakhs for the financial year ended March 31, 2022, to ₹ 5849.5 lakhs for the financial year ended March 31, 2023, representing a growth of 31.78% due to increase in Purchases of Raw material Increase of Wages and Power and fuel expenses.

Changes in Inventories

The Change in Inventory of Work-in-Progress and Finished Goods increased by ₹ 486.71 lakhs, from ₹ (591.68) lakhs for the financial year ended March 31, 2022, to ₹ (104.97) lakhs for the financial year ended March 31, 2023. This was mainly due to increase in closing inventory of Finished Goods scrap and stock in trade.

Employee Benefits Expenses

Our Employee Benefit Expenses increased by ₹ 4.68 lakhs, from ₹ 125.41 lakhs for the financial year ended March 31, 2022, to ₹ 130.09 lakhs for the financial year ended March 31, 2023, representing a growth of 3.73% due to increase in Gratuity Expenses and Employee Transport Cost.

Finance Costs

Our Finance Cost increased by ₹ 10.97 lakhs, from ₹ 147.63 lakhs for the financial year ended March 31, 2022, to ₹ 158.6 lakhs for the financial year ended March 31, 2023, representing a growth of 7.43% on account of increase in Interest on term loan Loans, working capital term loan and other borrowings.

Depreciation and Amortization Expense

Our Depreciation and Amortization Expenses increased by ₹ 47.08 lakhs, from ₹ 195.21 lakhs for the financial year ended March 31, 2022, to ₹ 242.29 lakhs for the financial year ended March 31, 2023, representing a growth of 24.12% due to addition in assets during the year.

Other expenses

Our Other Expenses increased by ₹ 63.06 lakhs, from ₹ 173.17 lakhs for the financial year ended March 31, 2022, to ₹ 236.23 lakhs for the financial year ended March 31, 2023, which is 3.45% and 3.46% of the total revenue of respective years, representing a growth of 36.42%. The increase was mainly due to increase in Freight, Legal and professional charges, Rent, -Building, -Machinery, Rates and Taxes, Travelling Expenses, Rebate and Discount, Provision for doubtful debts, Fees & Subscriptions, Office Expenses, Security Expenses, Website & Software Expenses.

Exceptional Items

Our Exceptional Items increased by ₹ 7.19 lakhs, from ₹ 1.31 lakhs for the financial year ended March 31, 2022, to ₹ 8.5 lakhs for the financial year ended March 31, 2023, representing a growth of 548.01% on account of increase Prior Period Expenditure.

Profit Before Tax

Our Profit before Tax increased by ₹ 180.45 lakhs, from loss of ₹ 41.57 lakhs for the financial year ended March 31, 2022, to a profit of ₹ 138.88 lakhs for the financial year ended March 31, 2023, representing a growth of 434.11% on account of increase and expansion of sale of products.

Tax Expenses

Our tax expenses for the financial year 2022-23 amounted to ₹40.66 Lakhs as against tax expenses of ₹ 0.20 Lakhs for the financial year 2021-22. The net increase of ₹40.45 Lakhs is on account of increase in Deferred Tax and decrease in Current tax.

Profit After Tax

Our Profit for the year increased by ₹ 140.00 lakhs, from loss of ₹ 41.77 lakhs for the financial year ended March 31, 2022, to a profit of ₹ 98.22 lakhs for the financial year ended March 31, 2023, representing a growth of 335.14% lakhs mainly due to expansion of business and increase in revenue.

Changes in Cash Flows

The table below summaries our cash flows from our Restated Financial Statements for ten months period ended on January 31, 2025 and financial years ended on March 31, 2024, 2023 and 2022:

(₹ in Lakhs)

| Particulars | For ten months period ended on | For the financial year ended on March 31, | | |
|--|-----------------------------------|--|----------|----------|
| | January 31, 2025 | 2024 | 2023 | 2022 |
| Net cash (used in)/ generated from operating Activities | 685.33 | (10.42) | (362.41) | 80.80 |
| Net cash (used in)/ generated from investing Activities | (31.83) | (9.75) | (14.46) | (569.93) |
| Net cash (used in)/ generated from financing Activities | (653.60) | 4.52 | (368.21) | 488.32 |
| Net increase/ (decrease) in cash and cash Equivalents | (0.10) | (15.65) | (20.27) | (0.81) |
| Cash and Cash Equivalents at the beginning of the period | 4.55 | 20.22 | 40.48 | 41.29 |
| Cash and Cash Equivalents at the end of the Period | 4.45 | 4.55 | 20.22 | 40.48 |

Operating Activities

Ten months period ended on January 31, 2025

Our net cash generated from operating activities was ₹685.33 Lakhs for the ten months period ended January 31, 2025. Our operating profit before working capital changes was primarily adjusted against an Decrease in inventories of ₹165.39 Lakhs, an Increase in trade receivables by ₹1,025.05 Lakhs, Increase in non current assets by ₹0.10 Lakhs, Increase in short loans and advances by ₹1,044.18 Lakhs, Increase in current provisions by ₹236.25 Lakhs, Increase in other current liabilities by ₹104.71 Lakhs, Increase in trade payables by ₹1,124.21 Lakhs and Increase in non-current provisions by ₹28.24 Lakhs which was further decreased by payment of Income Tax of ₹ 109.76 Lakhs.

Financial year 2023-24

Our net cash used in operating activities was ₹10.42 Lakhs for the year ended March 31, 2024. Our operating profit before working capital changes was primarily adjusted against an Increase in inventories of ₹369.03 Lakhs, an decrease in trade receivables by ₹86.84 Lakhs, current assets decreased by ₹0.56 Lakhs, and an Increase in non-current assets by ₹0.36 Lakhs, increase in short loans and advances by ₹927.96 Lakhs, an increase in current provisions by ₹217.49 Lakhs, a decrease in

other current liabilities by ₹205.17 Lakhs, an increase in trade payables by ₹272.87 Lakhs and a decrease in non-current provisions by ₹1.81 Lakhs. which was further decreased by payment of Income Tax of ₹ 30.80 Lakhs.

Financial year 2022-23

Our net cash generated from operating activities was ₹362.41 Lakhs for the year ended March 31, 2023. Our operating profit before working capital changes was primarily adjusted against an increase in inventories of ₹361.17 Lakhs, an increase in trade receivables by ₹180.51 Lakhs, decrease in other current assets by ₹ 0.56 Lakhs, an decrease in other non-current assets by ₹6.45 Lakhs, a decrease in other non-current liabilities by ₹2.58 Lakhs, increase in short loans and advances by ₹65.36 Lakhs, increase in current provisions by ₹44.90 Lakhs, an increase in other current liabilities by ₹179.32 Lakhs, an increase in trade payables by ₹254.28 Lakhs, and increase in non-current provisions by ₹17.22 Lakhs. which was further decreased by payment of Income Tax of ₹ 12 Lakhs.

Financial year 2021-22

Our net cash generated from operating activities was ₹80.80 Lakhs for the year ended March 31, 2022. Our operating profit before working capital changes was primarily adjusted against a increase in inventories of ₹633.18 Lakhs, a increase in trade receivables by ₹68.74 Lakhs, a decrease in current assets by ₹5.23 Lakhs, decrease in short loans and advances by ₹266.85 Lakhs, an receipt of long loans and advances of ₹24.72 Lakhs, an increase in current provisions by ₹2.44 Lakhs, a increase in other current liabilities by ₹79.77 Lakhs, an increase in trade payables by ₹108.05 Lakhs, and an increase in non-current provisions by ₹6.89 Lakhs.

Investing Activities

Ten months period ended on January 31, 2025

Our net cash used in investing activities was ₹31.83 Lakhs for ten months period ended January 31, 2025. This was due to net purchases of Property, Plant & Equipment amounting to ₹32.35 Lakhs and Interest Income of ₹0.52 Lakhs.

Financial year 2023-24

Our net cash used in investing activities was ₹9.75 Lakhs for the financial year 2023-24. This was primarily due to net purchases of Property, Plant & Equipment amounting to ₹16.20 Lakhs, partially offset by the sale of Property, Plant & Equipment generating ₹6.45 Lakhs.

Financial year 2022-23

Our net cash used in investing activities was ₹14.46 Lakhs for the financial year 2022-23. This was primarily due to net purchases of Property, Plant & Equipment amounting to ₹14.79 Lakhs and due to interest income of ₹.33 Lakhs.

Financial year 2021-22

Our net cash used in investing activities was ₹569.93 Lakhs for the financial year 2021-22. This was primarily due to net purchases of Property, Plant & Equipment amounting to ₹573.37 Lakhs and due to interest income of ₹3.44 Lakh.

Financing Activities

Ten months period ended on January 31, 2025

Net cash used in financing activities for ten months period ended January 31, 2025 was ₹653.60 Lakhs, which was primarily due to repayment short term borrowings of ₹274.35 Lakhs, repayment of long term borrowings of ₹223.42 Lakhs and interest cost of ₹155.83 Lakhs.

Financial year 2023-24

Net cash generated in financing activities for the financial year March 31, 2024, was ₹4.52 Lakhs, which was primarily due to repayment short term borrowings of ₹690.03 Lakhs, proceeds of long term borrowings of ₹382.82 Lakhs, an interest cost of ₹188.26 Lakhs Additionally, there were proceeds from the issue of shares amounting to ₹499.99 Lakhs.

Financial year 2022-23

Net cash used in financing activities for the financial year March 31, 2023, was ₹-368.21 Lakhs, which was primarily due to repayment of short-term borrowings of ₹28.23 Lakhs, repayment of long-term borrowings of ₹191.73 Lakhs and an interest cost of ₹148.25 Lakhs.

Financial year 2021-22

Net cash generated from financing activities for the financial year March 31, 2022, was ₹488.32 Lakhs, which was primarily on account of proceeds from short term borrowings of ₹1,719.49 Lakhs, repayment of long term borrowings of ₹1,086.96 Lakh and an interest cost of ₹144.21 Lakhs.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for ten months period ended on January 31, 2025 and for the financial years ended March 31, 2024, 2023 and 2022:

| Particulars | Ten months period ended on | For the year ended March 31, | | |
|----------------------------|----------------------------|------------------------------|------|------|
| | January 31, 2025 | 2024 | 2023 | 2022 |
| Fixed Asset Turnover Ratio | 8.80 | 5.25 | 4.47 | 2.85 |
| Current Ratio | 1.51 | 1.40 | 0.81 | 0.73 |
| Debt Equity Ratio | 0.85 | 1.70 | 6.25 | 8.63 |
| Inventory Turnover Ratio | 5.13 | 4.19 | 5.38 | 8.05 |

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

Current Ratio: This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

Inventory Turnover Ratio: This is defined as average inventory divided by cost of goods sold based on Financial Statements as restated.

Financial Indebtedness

As on January 31, 2025, the total outstanding borrowings of our Company is as below. For further details, refer to the chapter titled “*Statement of Financial Indebtedness*” beginning on page of this Red Herring Prospectus.

(₹ in Lakhs)

| Particulars | As on January 31, 2025 |
|---|------------------------|
| Loans from Banks & Financial Institutions | 2,036.45 |
| Loans from Related parties | 38.23 |
| Total | 2,074.68 |

Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products and services. For further information, please refer to the chapter titled “*Financial Statements as Restated*” on page 195 of this Red Herring Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 195 of this Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 195 of this Red Herring Prospectus, there have been no defaults in payment of statutory dues and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS

Unusual or infrequent events or transactions

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

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

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

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

Other than as disclosed in the chapter titled “*Risk Factors*” beginning on page 34 of this Red Herring Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

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

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

Total turnover of each major industry segment in which the Issuer Company operates

Our Company is primarily engaged manufacturing and suppliers of bedding essentials, specializing in blankets, bed sheets, comforters, and more.

Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 107 of this Red Herring Prospectus.

Competitive Conditions

We have competition with domestic and international bedding essentials manufacturers who may vertically integrate their supply chains by acquiring or establishing their own distribution operation which reduces the need for independent distributors and create additional competition in the market. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies/ entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “**Risk Factors**” beginning on page 34 of this Red Herring Prospectus.

The extent to which business is seasonal:

The business of manufacturing blankets and comforters is highly seasonal, with demand peaking during the winter months. As temperatures drop, consumers actively seek warm bedding, leading to increased sales. Conversely, demand declines in warmer months when such products are less needed. This seasonality affects production planning, inventory management, and cash flow, necessitating strategic approaches to align with consumer purchasing behaviours.

Any significant dependence on a single or few suppliers or customers

We depend on external suppliers for all the raw materials required and typically purchase raw materials on a purchase order basis and place such orders with them in advance based on our projected requirements. As a result, the success of our business is significantly dependent on maintaining good relationships with our suppliers. The absence of long-term supply contracts subjects us to risks such as price volatility caused by various factors viz. commodity market fluctuations, currency fluctuations, climatic and environmental conditions, transportation cost, changes in domestic regulatory changes and trade sanctions. If we cannot fully offset the increase in raw material prices with an increase in the prices for our products, we will experience lower profit margins, which in turn may have a material adverse effect on our results of operations, and financial condition and ultimately lead to a liquidity crunch. In the absence of such contracts, we are also exposed to the risk of unavailability of raw materials in desired quantities and qualities, in a timely manner.

Increase in income

Increases in our income are due to the factors described above in in this chapter under “*Factors Affecting Our Results of Operations*” and chapter titled “**Risk Factors**” beginning on page 34 of this Red Herring Prospectus.

Status of any Publicly Announced New Business Segments

Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segment

STATEMENTS OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of the “SILKY OVERSEAS LIMITED” as on January 31, 2025, and May 31, 2025 are as under:

SECURED LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

(₹ in lakhs)

| Name of Lender | Date of Sanction | Purpose | Sanctioned Amount | Rate of Interest | Primary Securities | Repayment Terms | Balance As on 31.01.2025 | Balance As on 31.05.2025 |
|------------------------|------------------|---|-------------------|------------------|--|--|--------------------------|--------------------------|
| Bank of Baroda Limited | 31.10.2023 | Takeover of the existing 5 Term loan facilities having account no- 85451879, 86147689, 84833515, 86147684 & 85043873 with HDFC Bank Limited at outstanding levels which was taken initially for Working Capital | 95.84 | 11.40 % | 1. Hypothecation of Plant and Machinery - both present and Future 2. Hypothecation of Plant and Machinery (Indigenous & Imported) both present and future, Electrical Equipment and Misc. asset (As per project report) | Repayable in 36 Monthly Instalment of principle of ₹ 2.66 Lakhs + interest thereon starting from January 2024. | 54.07 | 43.43 |
| Bank of Baroda Limited | 31.10.2023 | | 229.31 | 11.40 % | | Repayable in 75 Monthly Instalment of principle of ₹ 3.06 Lakhs + interest thereon starting from January 2024. | 182.59 | 170.36 |
| Bank of Baroda Limited | 31.10.2023 | | 178.15 | 11.40 % | | Repayable in 46 Monthly Instalment of principle of ₹3.87 Lakhs + interest thereon starting from January 2024. | 117.86 | 102.37 |
| Bank of Baroda Limited | 31.10.2023 | Working Capital Requirement | 765.00 | 12.40 % | First Charge via Hypothecation of entire Stocks, Book Debts & current assets of the company (Existing and Future). | Repayable in 60 Monthly Instalment of principle of ₹ 12.75 Lakhs + interest thereon starting from November 2023. | 573.75 | 522.75 |
| Bank of Baroda Limited | 31.10.2023 | Takeover of the existing Working Capital limit from HDFC Bank Limited | 1,130.00 | 11.40 % | Second Charge on the entire Fixed Assets of the company with existing & Future. | Repayable on demand. | 1,108.18 | 1,919.93 |
| Total | | | | | | | 2,036.45 | 2,758.84 |

UNSECURED LOANS FROM RELATED PARTIES

| Name of Lender | Relation | Outstanding as on 31.01.2025 (₹ in lakhs) | Outstanding as on 31.05.2025 (₹ in lakhs) |
|---------------------|----------|---|---|
| Mr. Sawar Mal Goyal | Director | 28.53 | 6.98 |
| Mr. Ananya Goyal | Director | 9.70 | 9.20 |
| Total | | 38.23 | 16.18 |

SECTION X: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Our Company, our Directors and our Promoters are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as stated in this section, there are no:

- (i) criminal proceedings;
- (ii) actions by statutory or regulatory authorities;
- (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action;
- (iv) claims relating to direct and indirect taxes; and
- (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.

Our Board of Directors, in its meeting held on July 05, 2024 determined that outstanding litigation involving our Company, its directors, its promoters, and group companies shall be considered material (“**Material Litigation**”) if: (i) the potential financial liability/monetary claim by or against the Company, its Directors, Promoter, Group Companies, subsidiaries and joint ventures in any such pending matter(s) exceeds ₹ 10.00 Lakhs.

Our Board of Directors, in its meeting held on July 05, 2024, determined that outstanding dues to the small-scale undertakings and other creditors exceeding ₹ 10.00 Lakhs of the Company’s trade payables for the last restated audited financial statements shall be considered material dues for the company for the purpose of disclosure in this Red Herring Prospectus (“**Material Dues**”).

We hereby confirm that we have complied with the threshold of Outstanding Material Litigation as mentioned below:

For the purpose of determining materiality, the threshold shall be lower of threshold criteria mentioned below–

- 1) As per the policy of materiality defined by the board of directors of the issuer and disclosed in the offer document;-
The materiality threshold Limit is ₹10.00 lakhs as mentioned above., or
- 2) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:

(₹ in Lakhs)

| Particulars | Turnover | Percent (%) | Amount for threshold Criteria |
|---|---------------------------|-------------|-------------------------------|
| a. Two percent of turnover, as per the latest annual restated financial statements of the issuer; | 6,970.49 | 02 | 130.41 |
| Particulars | Net Worth | Percent (%) | Amount for threshold Criteria |
| <i>b. Two percent of net worth, as per the latest annual restated financial statements of the issuer except in case the arithmetic value of the net worth is negative; or</i> | 1,514.02 | 02 | 30.29 |
| Particulars | Average Profit after Tax* | Percent (%) | Amount for threshold Criteria |
| c. Five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the issuer. | 203.31 | 05 | 10.17 |
| Lower of a, b, c | | | 10.17 |

*Calculation of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the issuer:

| Particulars | Profit after tax (₹ In lakhs) |
|---------------------------------|-------------------------------|
| FY 2022 | (41.77) |
| FY 2023 | 98.22 |
| FY 2024 | 553.48 |
| Average Profit after Tax | 203.31 |

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.silkyoverseas.com

Our Company, its Promoters, its Directors, KMPs and its Promoter group are not Wilful Defaulters and there have been no violations of securities laws in the past and no such litigation is pending against them.

| | |
|------------|--|
| A. | LITIGATION INVOLVING THE OUR COMPANY |
| a. | Criminal proceedings against the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company. |
| b. | Criminal proceedings filed by the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Company. |
| c. | Other pending material litigations against the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against the Company. |
| d. | Other pending material litigations filed by the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated by the Company. |
| e. | Actions by statutory and regulatory authorities against the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company. |
| B. | LITIGATIONS INVOLVING THE OUR PROMOTERS & DIRECTORS OF THE COMPANY: |
| a. | Criminal Proceeding against our Promoters and Directors of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Promoters and Directors of the Company. |
| b. | Criminal Proceeding initiated/filed by our Promoters and Directors of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by Our Promoters and Directors of the Company. |
| c. | Other pending material litigations against Our Promoters and Directors of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against our Promoters and Directors of the Company, except the following: |
| (1) | <p><i>The case, registered as Execution Petition No. 446/2015, and the last hearing held on 05 May, 2024.</i></p> <p><i>The case titled "Oil & Natural Gas Corporation v. Discovery Enterprises Pvt. Ltd.", registered as Execution Petition No. 446 of 2015, is pending before the Hon'ble High Court of Delhi. It has been filed by Oil and Natural Gas Corporation (ONGC) for the enforcement of an arbitral award dated June 6, 2013, against Discovery Enterprises Private Limited (DEPL).</i></p> <p><i>The arbitral award pertains to a work contract between ONGC and DEPL and awards ONGC an amount of ₹ 6,387.37 lakh and USD 1,756,197.50, along with interest at the rate of 9% per annum. Mr. Sawar Mal Goyal was appointed as an Additional Director of DEPL on March 15, 2012, and resigned on July 11, 2016. He was not associated with the company at the time the contract was executed or breached.</i></p> <p><i>The matter, as per the E-Court case status, is currently pending before the Hon'ble Delhi High Court and the next date of this matter is July 29, 2025.</i></p> |
| d. | Other pending material litigations filed by our Promoter and director of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against our Promoters and directors of the Company, except the following. |
| e. | Actions by statutory and regulatory authorities against our Promoters and Directors of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company. |
| f. | Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action |
| | As on the date of this Red Herring Prospectus, there are no Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters and directors of the Company. |
| C. | LITIGATIONS INVOLVING OUR SUBSIDIARY AND GROUP COMPANY OF THE COMPANY: |
| a. | As on the date of this Red Herring Prospectus, the Company does not have any Subsidiary or Group Company as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. |



| | |
|-----------|--|
| | Accordingly, disclosure of litigations involving Subsidiary or Group Companies is not applicable. |
| D. | LITIGATIONS INVOLVING THE OUR PROMOTER GROUP OF THE COMPANY: |
| a. | Criminal Proceeding against our Promoter Group of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding Criminal Proceedings initiated against our Promoter Group of the Company, Except the following, |
| (1) | <p>FIR No. 0222, registered against Mr. Sanjay Goyal, dated March 30, 2018. <i>An FIR bearing No. 0222 was registered against Mr. Sanjay Goyal on March 30, 2018, at Police Station Palwal Sadar, District Palwal, under Sections 420, 406, 120-B, 467, 468, 471, and 201 of the Indian Penal Code, 1860.</i></p> <p><i>Subsequently, Mr. Sanjay Goyal filed Criminal Miscellaneous Petition No. CRM-M 9993 of 2025 under Section 482 of the Bhartiya Nagarik Suraksha Sanhita, 2023, before the Hon'ble High Court of Punjab and Haryana at Chandigarh, seeking anticipatory bail in connection with the said FIR.</i></p> <p><i>The Hon'ble High Court, vide its Order dated May 27, 2025, allowed the bail petition and directed Mr. Sanjay Goyal to participate in the investigation as and when required. The matter is currently under investigation.</i></p> |
| b. | Criminal Proceeding initiated/filed by our Promoter Group of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding Criminal Proceedings initiated filed by Our Promoter Group of the Company. |
| (1) | <p>F.I.R No. 0218, filed by Rishika Goyal, dated May 30, 2025. <i>An F.I.R bearing No. 0218 of 2025, was filed by Rishika Goyal against her In-laws on May 30, 2025, at Police Station Maurya Enclave, District North West (Delhi), under section 498A, 406 and 34 of the Indian Penal Code 1860. This matter is currently under investigation.</i></p> |
| c. | Other pending material litigations against Our Promoter Group of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against our Promoter Group of the Company. |
| d. | Other pending material litigations filed by our Promoter Group of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against our Promoter Group of the Company. |
| e. | Actions by statutory and regulatory authorities against our Promoter Group of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our Promoter Group of the Company. |
| D. | LITIGATIONS INVOLVING THE OUR KEY MANAGERIAL PERSONNEL OF THE COMPANY: |
| a. | Criminal Proceeding against our Key Managerial Personnel of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding Criminal Proceedings initiated against our Key Managerial Personnel of the Company. |
| b. | Criminal Proceeding initiated/filed by our Key Managerial Personnel of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding Criminal Proceedings initiated filed by Our Key Managerial Personnel of the Company. |
| c. | Other pending material litigations against Our Key Managerial Personnel of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against our Key Managerial Personnel of the Company, except the following. |
| (1) | <p><i>The case, registered as Execution Petition No. 446/2015, and the last hearing held on 05 May, 2024.</i></p> <p><i>The case titled "Oil & Natural Gas Corporation v. Discovery Enterprises Pvt. Ltd.", registered as Execution Petition No. 446 of 2015, is pending before the Hon'ble High Court of Delhi. It has been filed by Oil and Natural Gas Corporation (ONGC) for the enforcement of an arbitral award dated June 6, 2013, against Discovery Enterprises Private Limited (DEPL).</i></p> <p><i>The arbitral award pertains to a work contract between ONGC and DEPL and awards ONGC an amount of ₹ 6,387.37 lakh and USD 1,756,197.50, along with interest at the rate of 9% per annum. Mr. Sawar Mal Goyal was appointed as an Additional Director of DEPL on March 15, 2012, and resigned on July 11, 2016. He was not associated with the company at the time the contract was executed or breached.</i></p> <p><i>The matter, as per the E-Court case status, is currently pending before the Hon'ble Delhi High Court and the next date of this matter is July 29, 2025.</i></p> |
| d. | Other pending material litigations filed by our Key Managerial Personnel of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against our Key Managerial Personnel of the Company. |

| | |
|-----------|--|
| e. | Actions by statutory and regulatory authorities against our Key Managerial Personnel of the Company: |
| | As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our Key Managerial Personnel of the Company. |
| E. | LITIGATIONS INVOLVING THE OUR SENIOR MANAGERIAL PERSONNEL OF THE COMPANY: |
| a. | As on the date of this Red Herring Prospectus, the Company does not have any Senior Managerial Personnel of the Company as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. Accordingly, disclosure of Criminal litigations involving Senior Managerial Personnel is not applicable. |

F. TAX PROCEEDINGS:

| Nature of Proceedings | Number of cases | Amount involved* (₹ in Lakhs) |
|------------------------------------|-----------------|-------------------------------|
| A. Company | | |
| a. Income Tax (Outstanding Demand) | - | - |
| b. Income Tax (E- Proceedings) | - | - |
| c. Indirect Tax (GST) | - | - |
| d. Direct Tax (TDS) | 02 | 0.81 |
| B. Promoters and Directors | | |
| 1. Sawar Mal Goyal | | |
| a. Income Tax (Outstanding Demand) | 02 | 50.26 |
| b. Income Tax (E- Proceedings) | 01 | Unascertainable |
| 2. Ananya Goyal | | |
| a. Income Tax (Outstanding Demand) | 01 | 0.001 |
| b. Income Tax (E- Proceedings) | - | - |
| 3. S.M Goyal & Sons HUF | | |
| a. Income Tax (Outstanding Demand) | 01 | 1.18 |
| b. Income Tax (E- Proceedings) | - | - |
| 4. Jay Kumar Shaw | | |
| a. Income Tax (Outstanding Demand) | - | - |
| b. Income Tax (E- Proceedings) | - | - |
| 5. Rishika Goyal | | |
| a. Income Tax (Outstanding Demand) | - | - |
| b. Income Tax (E- Proceedings) | - | - |
| 6. Shweta Bansal | | |
| a. Income Tax (Outstanding Demand) | - | - |
| b. Income Tax (E- Proceedings) | - | - |

*The figures mentioned under the column "Amount Involved" may vary subject to final order, to the extent quantifiable, and inclusive of accrued interest, to the extent quantified in the relevant demand notices.

Notes:

| Assessment Year | Description | Proceeding Status |
|---|--|-------------------|
| a. Income Tax (Outstanding Demand) | | |
| Promoters and Directors | | |
| Mr. Sawar Mal Goyal | | |
| 2014-2015 | Sawar Mal Goyal has received demand bearing reference No. 2015201437022173981T, dated July 01 2015, for Assessment year 2014-2015 of Outstanding demand amount of ₹ 84,090/- has been raised under section 143(1)(a) of the Income Tax Act 1961, Sawar Mal Goyal has submitted his response as disagree with demand, dated November 24, 2024. The demand still open. | Open |

| | | |
|---------------------------------------|---|--|
| 2005-2006 | Sawar Mal Goyal has received demand bearing reference No. 2011200551094980560T, dated December 27, 2011, for Assessment year 2005-2006 of Outstanding demand amount of ₹ 49,42,496/- has been raised under section 271(1)(c) of the Income Tax Act 1961, Sawar Mal Goyal has submitted his response as disagree with demand, dated July 23, 2024. The demand still open. | Open |
| Ananya Goyal | | |
| 2016-2017 | Ananya Goyal has received demand Notice bearing reference No. 2016201637064622765T, dated January 15, 2017, under section 143(1)(a) of the Income Tax Act 1961 for Assessment year 2015-2016, of Interest Amount ₹ 182/- . The demand still pending as on date. Ananya Goyal has not submitted his response till date and demand pending as on date. | Open |
| S.M Goyal & Sons HUF | | |
| 2021-2022 | S.M. Goyal and Sons HUF has received demand bearing reference No. 2022202137066992561T, dated May 22, 2022, under section 154 of the Income tax Act 1961, for Assessment year 2021-2022, of outstanding principal amount of ₹ 60,640/- and along with accrued interest of ₹ 57,000/-. S M Goyal and Sons HUF have not submitted their response till date and demand pending as on date | Open |
| b. Income Tax (E- Proceedings) | | |
| Promoters and Directors | | |
| Mr. Sawar Mal Goyal | | |
| 2014-2015, 2005-2006 and 2019-2020 | Sawar Mal Goyal has received a recovery letter bearing DIN No. ITBA/RCV/S/221/2025-26/1076930364(1), and ITBA/RCV/S/221/2021-22/1035167896(1) dated July 11, 2025, and August 29, 2021, regarding an outstanding demand for the Assessment Year 2014-15, 2005-2006 and 2019-2020. The demand, amounting to ₹. 84,090/-, ₹. 49,42,496/- and ₹. 10/-, has been raised under Section 221(1) of the Income Tax Act, 1961. | Open (Recovery Notice Amount is reflected in Outstanding Demand of Portal) |
| c. Direct Tax (TDS) | | |
| Sr No. | Financial Years | Amount (₹) |
| Company | | |
| 2023 to 2025 | Cumulative amount for different financial years | 80,710.00 |

G. OUTSTANDINGS DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES OR ANY OTHER CREDITORS:

In accordance with our Company's materiality policy dated July 05, 2024, below are the details of the Creditors where there are outstanding amounts as on January 31, 2025:

(₹ in Lakhs)

| Sr. No. | Particulars | Amount |
|--------------|--|-----------------|
| 1. | Total Outstanding dues to Micro, Small & Medium Enterprises | 36.99 |
| 2. | Total Outstanding dues to creditors other than Micro, Small & Medium Enterprises | 1,726.58 |
| Total | | 1,763.57 |

H. 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 196 of this Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see the section titled “**Key Industry Regulations and Policies**” at page 151 of this Red Herring Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has its business located at the following locations:

| Sr. No | Location | Usage |
|--------|---|--------------------|
| 1. | F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India. | Registered Office |
| 2. | Village Jawahra, Pardhana Road, Tehsil Khanpur, Kalan, District Sonapat-131305, Haryana | Factory |
| 3. | Sunsat warehousing Pvt. Ltd., Hadbast No. 23, Village Sanpka, Tehsil Farukhnagar, Haileymandi, Gurugram, Haryana | Warehouse* |
| 4. | J.L. No-9,55 and 8, Mouza-Chandipur, Harinarayan chak, Amraberia, Uluberia, Howrah, West Bengal, 711316 | Warehouse** |
| 5. | 1st floor, Flat no. B. 149, Holding No. 899/5, Ward no. 11, Kamarhati Municipality, Ramkrishna Pally, Belghoria, Rathtala, Opposite of Clubtown Garden Main Gate, Ariadaha, Kolkata, North Twenty-Four Parganas, West Bengal, India | Virtual office *** |

*NOC dated September 08, 2023 have been received from Instakart Services Private Limited to Our company to occupy the Facility for the purposes of carrying out commercial business activities including storage and sale of goods ("Business")

** NOC dated August 09, 2023 have been received from Instakart Services Private Limited to Our company, to occupy the Facility for the purposes of carrying out commercial business activities including storage and sale of goods ("Business")

*** License cum service Agreement dated July 03, 2024 between Sukanaya Saha (Service Provider) and Our Company (Service Receiver) for the period of 11 month. Further the Supplementary License Cum Services Agreement dated June 13, 2025, for extension of Tenure Period of 11 months executed between parties.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

Corporate Approvals

- a. Our Board of Directors have pursuant to a resolution passed at their meeting held on June 02, 2024, authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary.
- b. The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 62(1)(c) of the Companies Act, 2013 by Special Resolution in an Extra Ordinary General Meeting held on June 11, 2024.
- c. The Draft Red Herring Prospectus has been approved by our Board pursuant to a resolution dated September 10, 2024.
- d. The Red Herring Prospectus has been approved by our Board pursuant to a resolution dated June 23, 2025
- e. The Prospectus has been approved by our Board pursuant to a resolution dated [●]

Approval from Stock Exchange

In-principle approval dated March 11, 2025 letter no. NSE/LIST/4517 from National Stock Exchange of India Limited for using the name of the Exchange in the offer documents for listing of the Equity Shares on Emerge Platform of National Stock Exchange of India Limited, issued by our Company pursuant to the Issue.

Agreements with NSDL and CDSL

1. The company has entered into an agreement dated February 07, 2024 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated December 29, 2023 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE0SN801015.

Lender Consent

As on the date of this Red Herring Prospectus there is only one lender of the Issuer. The consent letter dated July 03, 2024 from Bank of Baroda had been received.

II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

| S. No. | Nature Of License/Registration | Registration No./ License No. | Issuing Authority | Date Of Issue | Validity |
|--------|---|-------------------------------|---|-------------------|-----------------------|
| 1. | Certificate of Incorporation | U17110DL2016PTC29888 | Central Registration Centre Ministry of Corporate Affairs | May 01, 2016 | One Time Registration |
| 2. | Fresh Certificate of Incorporation upon conversion from Silky Overseas Private Limited to Silky Overseas Limited. | U17110DL2016PLC29888 | Registrar of Companies, Delhi | November 07, 2023 | One Time Registration |

III. OTHER APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. TAX RELATED APPROVALS:

| S. No. | Nature Of License/Registration | Registration No./ License No. | Issuing Authority | Date Of Issue | Validity |
|--------|--|-------------------------------|--|-------------------|--|
| 1. | Permanent Account Number (“PAN”) | AAXCS0302D | Income Tax Department, Government of India | May 01, 2016 | Valid till cancelled |
| 2. | Tax Deduction Account Number (“TAN”) | DELS62078C | Income Tax Department, Government of India | November 30, 2023 | Valid till cancelled |
| 3. | Certificate of Registration under Central Goods and Services Tax Act, 2017 - Haryana | 06AAXCS0302D1ZM | Government of India | January 16, 2024 | Valid from July 01, 2017 till cancelled |
| 4. | Certificate of Registration under Central Goods and Services Tax Act, 2017 – Delhi* | 07AAXCS0302D2ZJ | Government of India | March 01, 2022 | Valid from October 29, 2020 till cancelled |
| 5. | Certificate of Registration under Central Goods and Services Tax Act, 2017 - West Bengal | 19AAXCS0302D1ZF | Government of India | August 12, 2024 | Valid from August 25, 2023 till cancelled |
| 6. | Certificate of Importer-Exporter Code | 3316905723 | Government of India, Ministry of Commerce and Industry | August 22, 2016 | Valid until Cancelled |


B. BUSINESS RELATED APPROVALS:



| Sr. No. | Nature Of License/Registration | Registration No./ License No. | Issuing Authority | Date Of Issue | Validity |
|---------|--|-------------------------------|--|--------------------|-----------------------|
| 1. | Udyam Registration Certificate under Micro, Small and Medium Enterprises Development Act, 2006 | UDYAM-DL-03-0001811 | Government of India, Ministry of Micro, Small and Medium Enterprises | September 30, 2020 | Valid until Cancelled |
| 2. | Trade License | 0917P111524151624 | Kamarhati Municipality Barrackpur, North 24 Paraganas | August 23, 2024 | August 22, 2025 |
| 3. | Certificate for use of a Boiler Type of Boiler -Water cum Smoke tube | HA-3504 | Joint Director Cum Chief, Inspector of Boilers, Haryana | April 18, 2025 | April 17, 2026 |
| 4. | Factory License-Haryana | SPT-ONLINE-CHD-S-289 | Chief Inspector of Factories, Government of Haryana | September 24, 2024 | December 31, 2028 |
| 5. | Fire Safety Certificate* | FS/2023/633 | Assistant Divisional Fire Officer/ Fire Station Officer- MC Sonipat | May 05, 2023 | May 04, 2026 |
| 6. | Grant of Authorisation under Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016* | HWM/SON/2023/1252196 7 | Haryana Pollution Control Board | June 16, 2023 | September 30, 2025 |
| 7. | Permission Certificate for Ground Water Extraction* | HWRA/NOC/IND/N/2024/1882 | Haryana Water Resource Authority, Government of Haryana | February 29, 2024 | February 28, 2025 |
| 8. | ISO 9001:2015 (Quality Management System) | 24ZKAG1614Q | International Quality Certification Services UK Ltd | June 14, 2024 | June 13, 2027 |
| 9. | Legal Entity Identifier Certificate (LEI) | 984500G4BFF1906A2B03 | LEI | May 11, 2025 | May 11, 2027 |

C. LABOUR LAW RELATED APPROVALS:

| S. No. | Nature Of License/Registration | Registration No./ License No. | Issuing Authority | Date Of Issue | Validity |
|--------|---|-------------------------------|---|--------------------|-----------------------|
| 1. | Registration under Employees State Insurance Act, 1948* | 13000819500 000199 | Employees State Insurance Corporation | September 23, 2017 | Valid until Cancelled |
| 2. | Registration under Employees' Provident Funds and Miscellaneous Provisions Act, 1952* | 10000046784 KNL | Ministry of Labour and Employment Government of India | October 10, 2017 | Valid until Cancelled |

D. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS:

| Sr. No. | Word/ Label/ Mark/Design | Application No. | Class | Registration/ Application Date | Status/ Validity |
|---------|---|-----------------|-------|--------------------------------|------------------------|
| 1. |  Silky Overseas Limited | 6512557 | 35 | July 05, 2024 | Formalities Check pass |

| | | | | | |
|----|---|---------|----|-------------------|--|
| 2. |  | 6185955 | 24 | November 15, 2023 | Accepted and Advertised |
| 3. |  | 3678938 | 24 | November 15, 2017 | Registered |
| 4. | Amelia* | 4596471 | 24 | August 05, 2020 | Registered/ Valid till 10 years from application |

*All above-mentioned approvals are in the previous name of the Company i.e., Silky Overseas Private Limited. The Company is in the process of name change from Silky Overseas Private Limited to Silky Overseas Limited for all the approvals.

IV. THE DETAILS OF DOMAIN NAME REGISTERED IN THE NAME OF THE COMPANY:

| Sr. No. | Domain Name and Id | Iana Id | Creation Date | Expiry Date |
|---------|--|---------|-------------------|-------------------|
| 1. | Domain name – silkyoverseas.com Domain ID – 2097842549_DOMAIN_COM-VRSN | 146 | February 15, 2017 | February 15, 2026 |
| 2. | Domain name- riandecor.com Domain ID – 2760534589 _DOMAIN_COM-VRSN | 146 | February 23, 2023 | February 23, 2026 |

V. APPROVALS OR LICENSES PENDING TO BE APPLIED:

1. Certificate of Registration under Central Goods and Services Tax Act, 2017 – Delhi.

VI. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:

Following are the List of Approvals or Licenses for which name change From Silky Overseas Private Limited to Silky Overseas Limited has been applied but not received:

1. Grant of Authorization under Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016
2. Registration under Employees State Insurance Act, 1948
3. Registration under Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
4. Fire Safety Certificate
5. Ameila Trademark
6. Rian Trademark
7. Permission Certificate for Ground Water Extraction

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Board of Directors, pursuant to a resolution passed at their meeting held on June 02, 2024, authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on June 11, 2024, authorized the Issue.

The Draft Red Herring Prospectus has been approved by our Board pursuant to a resolution dated September 10, 2024.

The Red Herring Prospectus has been approved by our Board pursuant to a resolution dated June 23, 2025.

The Prospectus has been approved by our Board pursuant to a resolution dated [●]

In-principle Approval:

Our Company has obtained In-Principle approval from the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) for using its name in the Offer Documents pursuant to an approval letter dated March 11, 2025 letter no. NSE/LIST/4517 from Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”). Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) is the Designated Stock Exchange.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoters or Director.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

PROHIBITION BY RBI

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers by the RBI or other governmental authority and 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 under chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 217 of this Red Herring Prospectus.

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI (ICDR) Regulations, 2018.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, the Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Red Herring Prospectus.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “**Outstanding Litigations and Material Developments**” beginning on page 217 respectively, of this 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 in terms of Regulation 228, 229(1) and 230 of SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018. Our Company is eligible for the Issue in accordance with Regulation 229(1) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue face value capital is less than or equal to ten crore rupees and we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the Emerge Platform of National Stock Exchange of India Limited) (“NSE Emerge”).

We confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the total issue size. *For further details pertaining to said underwriting please refer to chapter titled “General Information-Underwriting” beginning on page 65 of this Red Herring Prospectus.*

In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Issue on the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”). *For further details of the arrangement of market making please refer to chapter titled “General Information” beginning on page 65 and details of the Market Making Arrangements for this please refer to chapter titled “The Issue” beginning on page 59 of this Red Herring Prospectus.*

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed Allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. 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.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Red Herring Prospectus/ Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/Red Herring Prospectus.

In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.

In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.

In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to National Stock Exchange of India Limited and National Stock Exchange of India Limited is the Designated Stock Exchange.

In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.

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.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on May 01, 2016, with the Central Registration Centre, Registrar of Companies, under the Companies Act, 2013 in India.
2. Our Company is engaged in business to manufacture, buy, sell, import, export or to deal in preparation of blankets made up of wool, cotton, synthetic, woollen fabrics, silk, art silk, and other fibre or blends thereof by modern methods utilizing plant powered by electricity, steam, gas or by any other method generally to wash, clean, purify, scour, bleach, dry, iron, colour, dye, disinfect and to carry on all or any of the business of dealers and manufacturers of all kinds of blankets, carpets, durries, mats, rugs, namdas, shawls, tweeds, linen, flannels and all other articles of woollen and worsted materials and of all articles similar to the foregoing or any of them or connected therewith & To carry on the business of trading of Iron and steel, Copper scrap and stainless steel flate.
3. The Paid-up Capital of the Company is ₹ 446.20 Lakh comprising 44,62,023 Equity shares.
4. The Post Issue Paid up Capital (Face Value) of the company will be ₹ [●] comprising [●] Equity Shares. So, the company has fulfilled the criteria of Post Issue Paid up Capital shall be less than or equal to Ten Crore Rupees.
5. The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 3 financial years preceding the application and its net worth as on March 31, 2024, is positive:

(₹ in Lakhs)

| Particulars | For financial year ended on | | |
|--|-----------------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Net worth ⁽¹⁾ | 1,514.02 | 460.54 | 359.07 |
| Operating Profit (EBITDA) ⁽²⁾ | 1,101.46 | 535.09 | 296.59 |

⁽¹⁾ Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

⁽²⁾ Operating Profit = Net profit after Tax + Finance Cost + Depreciation + Tax Expense – Other Income

6. The Issuer has positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.

(₹ in Lakhs)

| Particulars | For financial year ended on | | |
|---------------------------------|-----------------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Free Cash Flow to Equity (FCFE) | (474.93) | 8.98 | 2,496.59 |

7. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated February 07, 2024, and National Securities Depository Limited (NSDL) dated December 29, 2023, for dematerialization of its Equity Shares already issued and proposed to be issued.
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
10. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
11. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. There has been no significant change in the promoter(s) of the Company in the one year preceding the date of filing application to Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”).
14. The Company has a website: silkyoverseas.com or riandecor.com

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge").

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF 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 OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, GRETEX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE 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 OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, GRETEX CORPORATE SERVICES LIMITED 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 HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 23, 2025. THE FILING OF THIS RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF 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 DOCUMENTS / OFFER DOCUMENTS.

Note:

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and 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 this Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Delhi in terms of Section 26 & 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk. The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the agreement entered between the Book Running Lead Manager (Gretex Corporate Services Limited) and our Company on July 05, 2024 and addendum to this agreement dated June 14, 2025, and the Underwriting Agreement dated July 05, 2024 and addendum to this agreement dated June 14, 2025, entered into between the Underwriters and our Company and the Market Making Agreement dated July 05, 2024 and addendum to this agreement dated June 14, 2025, entered into among the Market Maker and our Company. All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in



the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

CAUTION

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

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 M/s. Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure A to this Red Herring Prospectus and the website of the Book Running Lead Manager at www.gretexcorporate.com.

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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Delhi only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed at Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") for its observations and National Stock Exchange of India Limited will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 where required agrees that such applicant will not sell or transfer any Equity Shares 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, legislations and this Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter dated March 11, 2025 letter no. NSE/LIST/4517 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 draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT

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 Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under 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 Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

This Red Herring Prospectus is being filed with Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") Exchange Plaza, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India. This Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/ Prospectus, along with the material contracts and documents referred elsewhere in the Red Herring Prospectus, will be delivered for filing to the Registrar of Companies, Delhi, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi- 110019.

LISTING

An application has been made to Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") after the allotment in the Issue. Emerge Platform of National Stock

Exchange of India Limited (“NSE Emerge”) is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by National Stock Exchange of India Limited, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge of National Stock Exchange of India Limited mentioned above are taken within Three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Four (4) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

The Company has obtained approval from National Stock Exchange of India Limited vide letter dated March 11, 2025 letter no. NSE/LIST/4517 to use the name of National Stock Exchange of India Limited in this issue document for listing of equity shares on Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”).

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who-

- Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under Section 447 of the Companies, Act 2013.

CONSENTS

Consents in writing of (a) Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Book Running Lead Manager, Underwriters, Market Maker to the Issue, Registrar to the Issue, Legal Advisor to the Issue, and Banker(s) to the Company to act in their respective capacities shall be obtained as required as required under Section 26 & 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the Registrar of Companies. Our Statutory Auditor holding Peer Reviewed Certificate has given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the Registrar of Companies.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. Manish Pandey & Associates, Peer Review Auditor and Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “*Statement of Possible Tax Benefits*” relating to the possible tax benefits and restated financial statements as included in this Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Red Herring Prospectus.

EXPERT TO THE ISSUE

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

- Report of the Statement of Possible of Tax Benefits dated June 23, 2025.
- Report of the Auditor on the Restated Financial Statements of our Company for the Financial Year ended on March 31, 2024, March 31, 2023, and March 31, 2022, of our Company dated June 23, 2025.
- Legal Advisor certificate on litigation matter issued by Victoriam Legalis Advocates & Solicitors dated September 05, 2024.

EXPENSES TO THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 87 of this Red Herring Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated July 05, 2024, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and / or public issues since incorporation and are an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations, 2018.

CAPITAL ISSUES IN THE LAST THREE (3) YEARS BY LISTED GROUP COMPANIES / SUBSIDIARY / ASSOCIATES

None of our Group Company / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years. We do not have any subsidiary(ies) as on date of this Red Herring Prospectus.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “Capital Structure” beginning on page 77 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY



Our Company is an “**Unlisted Issuer**” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

LISTED SUBSIDIARY(IES) / PROMOTER

We do not have any listed Subsidiary(ies) or Promoter Company as on date of this Red Herring Prospectus.

OPTION TO SUBSCRIBE

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

Our company has issued debentures, and the details of the debentures are mentioned in the chapter “Statement of Financial Indebtedness” beginning on page 216 of the Red Herring Prospectus.

OUTSTANDING CONVERTIBLE INSTRUMENTS:

Our Company does not have any outstanding convertible instruments as on the date of filing this Red Herring Prospectus

PARTLY PAID-UP SHARES

As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “**Unlisted Issuer**” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “**Initial Public Offering**” in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company has appointed Skyline Financial Services Private Limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the 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 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 co-ordinating 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.

All grievances relating to the ASBA process 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 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.

Our Company will obtain authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI Circular (CIR/OIAE/1/2014) dated December 18, 2014, and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 in relation to redressal of investor grievances through 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

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on July 05, 2024. For further details, please refer to the chapter titled “**Our Management**” beginning on page 166 of this Red Herring Prospectus.

Our Company has appointed Ms. Sakshi Sareen, Company Secretary and Compliance Officer and she may be contacted at the following address:

Ms. Sakshi Sareen

Address: F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India

Contact No.: +91 74040 88823

Email Id: cs@silkyoverseas.com

Website: www.silkyoverseas.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

Disposal of Investor Grievances by Listed Companies under the same Management

None of our Group Companies / Associates / Subsidiary(ies) are listed on any Stock Exchange as on the date of filing this Red Herring Prospectus.

CAPITALISATION OF RESERVES OR PROFITS

*Save and except as stated in the chapter titled “**Capital Structure**” beginning on page 77 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five years.*

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

TAX IMPLICATIONS

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. *For details, please refer the section titled “**Statement of Possible Tax Benefits**” beginning on page 103 of this Red Herring Prospectus.*

PURCHASE OF PROPERTY

Other than as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled "*Our Management*" and "*Related Party Transactions*" beginning on pages 166 and 194 respectively of this Red Herring Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

SECTION XI: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, 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, the Registrar of Companies, the RBI 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 SEBI, RBI, the Government Of India, the Stock Exchange, the Registrar of Companies 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 investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, (together, the "UPI Circular") in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 ("UPI Phase II"). Further SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. 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 III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 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 forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

AUTHORITY FOR THE PRESENT ISSUE

This Public Issue has been authorized by a resolution of our Board of Directors passed at their meeting held on June 02, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the General Meeting. The shareholders have authorized the Issue by a Special Resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on June 11, 2024.

RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. *For further details, please refer to section titled, 'Main Provisions of Article of Association', beginning on page 283 of this Red Herring Prospectus.*

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. *For further details in relation to dividends, please refer to sections titled, 'Dividend Policy' and 'Main Provisions of Article of Association', beginning on page 193 and 283 respectively, of this Red Herring Prospectus.*

FACE VALUE AND ISSUE PRICE

The face value of each Equity Share is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ 153.00 per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ 161.00 per Equity Share ("Cap Price"). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid / Issue Opening Date, in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Delhi edition of Pratah Kiran (Hindi being a regional newspaper each with wide circulation) 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 shall be determined by our Company and in consultation with the Book Running Lead Manager, after the Bid / Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

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 98 of this Red Herring Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH ICDR REGULATIONS

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.

COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

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 AoA, 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, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, 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, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, etc., *please refer to Section titled, 'Main Provisions of the Articles of Association', beginning on page 283 of this Red Herring Prospectus.*

MINIMUM APPLICATION VALUE

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated between December 29, 2023 NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated February 07, 2024 between CDSL, our Company and Registrar to the Issue.

The ISIN of the company is INE0SN801015.

MARKET LOT AND TRADING LOT

Trading of the Equity Shares will happen in the minimum contract size of 800 Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012, and the same may be modified by National Stock Exchange of India Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 800 Equity Share subject to a minimum allotment of 800 Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 Working Days of closure of Issue.

JOINT HOLDERS

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, the First / Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company, in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and 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 Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

BID/ ISSUE PROGRAM

| | |
|---|--|
| Bid / Issue Opened on | Monday, June 30, 2025 ⁽¹⁾ |
| Bid / Issue Closed on | Wednesday, July 02, 2025 ⁽²⁾⁽³⁾ |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or about Thursday, July 03, 2025 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account* | On or about Friday, July 04, 2025 |
| Credit of Equity Shares to Demat accounts of Allottees | On or about Friday, July 04, 2025 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or about Monday, July 07, 2025 |

Note:

⁽¹⁾Our Company in consultation with the Book Running Lead Manager, considered participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Issue Period was opened one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI ICDR Regulations

⁽²⁾Our 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.

⁽³⁾UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date, i.e. July 02, 2025

*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 Book Running Lead Manager 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 02, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

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

Submission of Application Forms:

| Issue period (except the Issue Closing Date) | |
|---|--|
| Submission and Revision of Application Form | Only between 10.00 a.m. to 5.00 p.m. IST |
| Issue Closing Date | |
| Submission and Revision of Application Form | Only between 10.00 a.m. to 3.00*# p.m. IST |

*UPI mandate end time and date shall be at 5.00 pm on Issue Closing Date.

On the Issue Closing Date, the Applications shall be uploaded until:

- I. Until 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
- II. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to the Stock Exchange.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid / Issue Closing Date, Applicants are advised to submit their applications 1(one) day prior to the 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 Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of Bid-Cum-Application Forms are received on the 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. Bid-Cum-Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum-Application Forms due to faults in any software / hardware system or otherwise.

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from EMERGE platform of National Stock Exchange of India Limited 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 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.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid / Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid / Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid / Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, 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, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

MINIMUM SUBSCRIPTION

In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level .

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of this Red Herring Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1.00 Lakhs (Rupees One Lakhs) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 800 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge platform of National Stock Exchange of India Limited.

APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS

It is to be understood that there is no reservation for Eligible NRIs or FPIs / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.

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 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20 / 2000-RB dated May 03, 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 Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the Section titled, '*Capital Structure*', beginning on page 77 of this Red Herring Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the Section titled, '*Main Provisions of the Articles of Association*', beginning on page 283 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this 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.

NEW FINANCIAL INSTRUMENTS

As on the date of this 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.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

Further, in accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board of National Stock Exchange of India Limited from the NSE EMERGE if we fulfill the criteria as per SEBI (ICDR) Regulation and as per NSE Circular dated March 07, 2024.

A. As per NSE guidelines:

As per NSE Circular dated March 07, 2024, our Company may migrate its securities from the Emerge Platform of National Stock Exchange of India Limited to main board platform of National Stock Exchange of India Limited.

| Parameter | Migration policy from NSE Emerge Platform to NSE Main Board |
|--|--|
| Paid up Capital & Market Capitalisation | The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores* * Explanation: For this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares |
| Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT) | The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange. |
| Listing period | The applicant should have been listed on SME platform of the Exchange for at least 3 years. |
| Other Listing conditions | The applicant Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and |

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|--|---|
| | <p>Bankruptcy Code against the issuer and Promoting companies.</p> <ul style="list-style-type: none"> • The company has not received any winding up petition admitted by a NCLT. • The networth* of the company should be at least 75 crores <p>*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p> |
| Public Shareholders | Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000 |
| The applicant desirous of listing its securities on the main board | The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner. |

B. As per ICDR guidelines:

If the Paid up Capital of our Company is likely to increase above ₹2,500 lakhs by virtue of any further issue of capital by way of rights issue, 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), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down for Migration.

OR

If the Paid up Capital of our company is more than ₹1,000 lakhs but below ₹2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid down for Migration and 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.

Any company desiring to migrate to the Main board from the Emerge Platform within three years of listing on Emerge platform of National Stock Exchange of India Limited has to fulfil following conditions:

- The increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.*
- The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.*
- There should not be any action against the company by any regulatory agency at the time of application for migration.*

For detailed criteria by National Stock Exchange of India Limited for Migration to the Main Board, please refer website of exchange at www.nseindia.com

MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited, wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the Emerge platform of National Stock Exchange of India Limited for a minimum period of 3 years from the date of listing on the Emerge Platform of National Stock Exchange of India Limited.

For further details of the agreement entered into between our Company, the Book Running Lead Manager and the Market Maker please refer to Section titled, '**General Information - Details of the Market Making Arrangements for this Issue**', beginning on page 65 of this Red Herring Prospectus.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Delhi, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements

of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Red Herring Prospectus with the Registrar of Companies publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) 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 the Registered Office of our Company is situated.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this 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 and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) 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 less than or equal to ten crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the Emerge Platform of National Stock Exchange of India Limited. *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 237 and 250 respectively of this Red Herring Prospectus.*

Initial Public Issue of upto **19,05,600*** Equity Shares of ₹10.00 each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs ("the Issue") by the issuer Company (the "Company").

** Subject to Finalization of Basis of Allotment*

The Issue comprises a reservation of upto 3,13,600 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of upto 15,92,000 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs (the Net Issue). The Issue and the Net Issue will constitute [●] % and [●] % respectively of the Post Issue Paid-up Equity Share Capital of the Company. The Issue is being made through the Book Building Process.

| Particulars of the Issue ⁽²⁾ | Market Maker Reservation Portion | QIBs ⁽¹⁾ | Non-Institutional Investors | Retail Individual Investors |
|--|----------------------------------|---|--|---|
| Number of Equity Shares available for allocation | Upto 3,13,600 Equity Shares | Not more than [●] Equity Shares | Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders. | Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders. |
| Percentage of Issue Size available for allocation | Upto 16.46 % of the Issue Size | Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, upto 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. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion. | Not less than 15% of the Issue less allocation to QIB Bidders and RIB will be available for allocation. | Not less than 35% of the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation |
| Basis of Allotment ⁽³⁾ | Firm Allotment | Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a | 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- | Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and |



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|--------------------------|--|---|--|---|
| | | <p>proportionate basis to Mutual Funds only; and</p> <p>(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.</p> <p>(c) Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p> | <p>Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.</p> <p>For details, see “Issue Procedure” beginning on page 250 of this Red herring prospectus.</p> | <p>the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see “Issue Procedure” beginning on page 250 of this Red Herring Prospectus.</p> |
| Mode of Allotment | Compulsorily in dematerialized form. | | | |
| Minimum Bid Size | Not less than 3,13,600 Equity Shares | Such number of Equity Shares and in multiples of 800 Equity Shares that the Bid Amount exceeds ₹200,000 | Such number of Equity Shares and in multiples of 800 Equity Shares that the Bid Amount exceeds ₹200,000 | [●] Equity Shares |
| Maximum Bid Size | Not less than 3,13,600 Equity Shares | Such number of Equity Shares in multiples of 800 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits | Such number of Equity Shares in multiples of 800 Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits | Such number of Equity Shares in multiples of 800 Equity Shares so that the Bid Amount does not exceed ₹200,000 |
| Trading Lot | 800 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. | 800 Equity Shares and in multiples thereof | 800 Equity Shares and in multiples thereof | 800 Equity Shares and in multiples thereof |
| Terms of Payment | 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 ⁽⁴⁾ | | | |
| Mode of Bid | Only through the ASBA process. | | | Through ASBA Process or 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) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

(3) Subject to valid Bids being received at or above the Issue Price, 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.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “**Issue Procedure - Bids by FPIs**” on page 250 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 the SEBI (ICDR) Regulations, our Company in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and 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 Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

JURISDICTION

Exclusive jurisdiction for the purpose of this issue is with the competent courts / authorities at Delhi, India.

ISSUE PROGRAMME

| | |
|--|-------------------------------------|
| Bid / Issue Opens on | Monday, June 30, 2025 |
| Bid / Issue Closes on | Wednesday, July 02, 2025 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or about Thursday, July 03, 2025 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or about Friday, July 04, 2025 |
| Credit of Equity Shares to Demat accounts of Allottees | On or about Friday, July 04, 2025 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or about Monday, July 07, 2025 |

Note: 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.

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 Centres mentioned in the Bid-Cum-Application Form except that on the Issue Closing Date applications will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time).

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 retail individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding 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 investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI 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 January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 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, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on / or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

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 EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”) to act as intermediaries for submitting Application Forms are provided on www1.nseindia.com/emerge For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of National Stock Exchange of India Limited (“NSE EMERGE”).

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 Prospectus. Applicants 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 the Draft Red Herring Prospectus and this Red Herring Prospectus.

Further, the Company and the Book Running Lead Manager are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or

The Issue is being made under Phase III of the UPI (on a mandatory basis).

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 the Retail Individual Applicants 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.

Pursuant to the SEBI UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – issue Book Running Lead Manager will be required to compensate the concerned investor.

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 the Retail Individual Applicants into the UPI payment mechanism.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- 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”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- a registrar to the issue and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the Book Running Lead Manager’s.

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue Paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via the building process.

The allocation to the public will be made as per Regulation 253 of SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the Book Running Lead Manager, allocate upto 49.98% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) was available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion was 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% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Accordingly, we have allocated the Net Issue i.e., not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders and not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders 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 and PAN and UPI ID (for RIBs using the UPI Mechanism), 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.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.

AVAILABILITY OF RED HERRING PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. The Application Form shall contain space for Indicating number of specified securities subscribed for in Demat form.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the National Stock Exchange of India Limited (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected.

UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. Applications made by the UPI Bidder using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms not bearing such specified stamp may be liable for rejection.

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 SCSBs or sponsor banks, as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Bid cum Application Form* |
|---|-------------------------------------|
| Anchor Investors ¹ | Grey |
| Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis [^] | White |
| Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis [^] | Blue |

*Excluding electronic Bid cum Application Form

[^]Electronic Bid cum Application Form and the abridged prospectus will be made available for download on the website of the stock exchange (www.nseindia.com)

¹ Bid cum Application Forms for Anchor Investors were available at the offices of the Book Running Lead Manager

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit / deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

| Sr. No. | Designated Intermediaries |
|---------|--|
| 1. | An SCSB, with whom the bank account to be blocked, is maintained |
| 2. | A syndicate member (or sub-syndicate member) |
| 3. | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’) |
| 4. | A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity) |
| 5. | A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity) |

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|--|---|
| For Applications submitted by Investors to SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For applications submitted by investors to intermediaries other than SCSBs: | After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |
| For applications submitted by investors to 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. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account. |

The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA

Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid / Issue Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid / Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank and the Bankers to the Issue. The Book Running Lead Managers shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

Stock exchange shall allow modification of selected fields viz. DP ID / Client ID or Pan ID (Either DP ID / Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Abridged Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, 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 SCSBs (via Internet Banking) and National Stock Exchange of India Limited (www.nseindia.com) at least one day prior to the Bid / Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals’ resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder ‘s category;

- Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- Foreign Venture Capital Investors registered with the SEBI;
- Trusts / societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and / or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Multilateral and bilateral development financial institution;
- Eligible QFIs;
- Insurance funds set up and managed by army, navy or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India;
- 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:

- Minors (except through their Guardians)
- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of 800 Equity Shares and in multiples of 800 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed 2,00,000.00.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000.00 and in multiples of 800 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for

them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000.00 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company in consultation with the Book Running Lead Manager decided the Price Band and the minimum Bid lot size for the Issue. The Book Running Lead Manager and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

The Bid / Issue Period was 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 Business Standard, all editions of Hindi national newspaper Business Standard and Hindi Edition of Regional newspaper Pratah Kiran 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.

- a) During the Bid / Issue Period, Retail Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager 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 Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder / Applicant at or above the Issue Price will be considered for allocation / Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another Book Running Lead Manager 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 **“Build-up of the Book and Revision of Bids”**.
- d) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager / the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- e) The Book Running Lead Manager shall accept the Bids from the 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.
- f) *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 250 of this Red Herring Prospectus.*

- g) 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.
- h) 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.
- i) 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.
- j) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal / failure of the Issue or until withdrawal / rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a) Our Company in consultation with the Book Running Lead Manager, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid / Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e., the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the Book Running Lead Manager, finalized the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque / demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- 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 BOOK RUNNING LEAD MANAGER AND THE SYNDICATE MEMBERS:

The Book Running Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

OPTION TO SUBSCRIBE IN THE ISSUE:

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in Demat segment only.
- c) A single application from any investor shall not exceed the investment limit / minimum number of Equity Shares that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

INFORMATION FOR THE BIDDERS:

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the Registrar of Companies 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.
2. Our Company will file the Red Herring Prospectus with the Registrar of Companies at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of this Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and / or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his / her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the Book Running Lead Manager, may considered participation by Anchor Investors in the Issue for upto 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 Book Running Lead Manager.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid / Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid / Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid / Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid / Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. 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 Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book Running Lead Manager and made available as part of the records of the Book Running Lead Manager 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 Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Book Running Lead Manager and the Designated Intermediaries. Eligible NRI Bidders bidding 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 Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPI 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 FPIs, 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 FPIs, 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.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one 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 by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as

defined in the 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 the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUFs:

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in 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.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:

In case of Applications 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 Bid cum Application Form. Failing this, our Company reserve 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 legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

- The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- The industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and 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 the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and / or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid 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 Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- With respect to Bids 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 Bid cum Application Form.
- With respect to Bids 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 Bid cum Application Form.
- With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.
- Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable 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.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹25.00 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25.00 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

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 Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks’ own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks’ interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company’s paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB’S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

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 Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) BIDDERS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

TERMS OF PAYMENT

The entire Issue price of [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

PAYMENT MECHANISM

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The

Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

PAYMENT INTO ESCROW ACCOUNT FOR ANCHOR INVESTORS

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a) In case of resident Anchor Investors: — “SILKY OVERSEAS LIMITED- R”
- b) In case of Non-Resident Anchor Investors: — “SILKY OVERSEAS LIMITED- NR”
- c) Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - a) the applications accepted by them,
 - b) the applications uploaded by them
 - c) the applications accepted but not uploaded by them or
 - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to;
 - (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| Sr. No. | Details* |
|---------|-------------------|
| 1. | Symbol |
| 2. | Intermediary Code |
| 3. | Location Code |
| 4. | Application No. |
| 5. | Category |
| 6. | PAN |
| 7. | DP ID |
| 8. | Client ID |
| 9. | Quantity |
| 10. | Amount |

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and / or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid / Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Bid / Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

BUILD OF THE BOOK

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Manager at the end of the Bid / Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid / Issue Period.

WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid / Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid / Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

PRICE DISCOVERY AND ALLOCATION

- a) Based on the demand generated at various price levels, our Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Prospectus. For details in relation to allocation, the Bidder may refer to the Prospectus.
- 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 Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the Prospectus.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.

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

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|---------------------|-----------------------|----------------------------|---------------------|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the Book Running Lead Manager, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Issue Price and cut-off

Bids are valid Bids and are considered for allocation in the respective categories.

SIGNING OF UNDERWRITING AGREEMENT AND REGISTERING OF RED HERRING PROSPECTUS / PROSPECTUS WITH REGISTRAR OF COMPANIES

- a) Our company has entered into an Underwriting Agreement dated July 05, 2024 and addendum to this agreement dated June 14, 2025.
- b) A copy of Red Herring Prospectus will be registered with the Registrar of Companies and copy of Prospectus will be registered with Registrar of Companies in terms of Section 26 & 32 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the Registrar of Companies, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper (Hindi being regional language) each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid / Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND RED HERRING PROSPECTUS:

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus with the Registrar of Companies. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid / Issue period and withdraw their Bids until Bid / Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII 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 the Bid cum Application Form for all your Bid options;
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 RIIs 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. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. 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;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are 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 Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only.
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000.00 (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application 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 Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

OTHER INSTRUCTIONS FOR THE BIDDERS' JOINT BIDS

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form / Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid/cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-issue or post issue 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

- a) During the Bid / Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) 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).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to this Red Herring Prospectus.

GROUNDS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following 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;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in this Red Herring Prospectus;
- 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;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in this Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;

- Bid accompanied by Stock invest / money order / postal order / cash / cheque / demand draft / pay order;
- Signature of sole Bidder is missing;
- 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 Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- 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 numbers.
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act.
- 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;
- Bids not uploaded on the terminals of the Stock Exchanges
- Where no confirmation is received from SCSB for blocking of funds;
- 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;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- 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
- 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

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- 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 Book Running Lead Manager 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.
- In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to this Red Herring Prospectus.

ALLOTMENT PROCEDURE

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

1. On T Day, RTA 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.
2. RTA 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.
3. Third party confirmation of applications to be completed by SCSBs on T+1 day.
4. RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
5. Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
6. The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
7. The RTA 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: -

- a) Instruction is given by RTA 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 Designated Stock Exchange (DSE) 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.
- b) In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- c) In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- d) On the basis of the above, the RTA 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.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the National Stock Exchange of India Limited. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
 2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- a) For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

1. Each successful applicant shall be allotted [●] equity shares; and
 2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- b) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
 - c) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the 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 Red Herring Prospectus.
 - d) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 2. The balance net offer of shares to the public shall be made available for allotment to
 - a) Individual applicants other than retails individual investors and
 - b) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The authorised employees of the stock exchange, along with the Book Running lead manager(s) and registrars to the issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

a) For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue 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 Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue 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 Red Herring Prospectus / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
 - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- 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 Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
 - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
 - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

d) ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price was at the discretion of the Issuer, in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:
 - i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - 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 Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) In the event that the Issue 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 Issue 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 Issue 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 Issue:

In the event of the Issue Being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares 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 Issue specified under the Capital Structure mentioned in this Red Herring Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000.00 Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.

The Executive Director / Managing Director of National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

ISSUANCE OF ALLOTMENT ADVICE:

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

3. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures 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 Issue Account to Public Issue account of the issuer.

DESIGNATED DATE:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment / or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid / Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM:

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., www.bseindia.com and National Stock Exchange of India Limited i.e., www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of National Stock Exchange of India Limited i.e., www.nseindia.com

BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS:

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF BID CUM APPLICATION FORM:

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

COMMUNICATIONS:

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY:

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE EMERGE where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

RIGHT TO REJECT APPLICATIONS:

In case of QIB Bidders, 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 Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

IMPERSONATION:

Attention of the Bidders 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.”

UNDERTAKINGS BY OUR COMPANY:

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within 3 working days from Issue Closure date.
3. That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
4. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

5. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. That our Promoters' contribution in full has already been brought in;
7. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
9. If our Company does not proceed with the Issue after the Bid / Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid / Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
10. If our Company withdraws the Issue after the Bid / Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange / Registrar of Companies/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

UTILIZATION OF ISSUE PROCEEDS:

The Board of Directors of our Company 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 referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company 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 the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
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.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL:

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

- a) Tripartite Agreement dated December 29, 2023 between NSDL, our Company and Registrar to the Issue; and
- b) Tripartite Agreement dated February 07, 2024 between CDSL, our Company and Registrar to the Issue.

The Company's equity shares bear an International Securities Identification Number **INE0SN801015**.

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 has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade (“DPIIT”) issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2) / 2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT 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 up to 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 make certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Section 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.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that

- (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations;
- (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and
- (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to

the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

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 CONDITION/ RESTRICTIONS FOR OVERSEAS ENTITIES

Under the current FDI Policy 2020, 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 Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. 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 up to aggregate foreign investment level of 49% or sectoral / statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in 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 recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

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, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase / sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within

the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2000/371/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 XII: MAIN PROVISIONS OF ARTICLE OF ASSOCIATIONS
THE COMPANIES ACT 2013**

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SILKY OVERSEAS LIMITED

(FORMERLY KNOWN AS SILKY OVERSEAS PRIVATE LIMITED)

Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

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| 1. | No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto. | Table F Applicable. |
| | Interpretation Clause | |
| 2. | In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context: | |
| | (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re- enactment thereof for the time being in force. | Act |
| | (b) “These Articles” means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution. | Articles |
| | (c) “Auditors” means and includes those persons appointed as such for the time being of the Company. | Auditors |
| | (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company. | Capital |
| | (e) “The Company” shall mean ‘ Silky Overseas Limited ’ | |
| | (f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963. | Executor or Administrator |
| | (g) "Legal Representative" means a person who in law represents the estate of a deceased Member. | Legal Representative |
| | (h) Words importing the masculine gender also include the feminine gender. | Gender |
| | (i) "In Writing" and “Written” includes printing lithography and other modes of representing or reproducing words in a visible form. | In Writing and Written |
| | (j) The marginal notes hereto shall not affect the construction thereof. | Marginal notes |
| | (k) “Meeting” or “General Meeting” means a meeting of members. | Meeting or General Meeting |
| | (l) "Month" means a calendar month. | Month |
| | (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act. | Annual General Meeting |
| | (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof. | Extra-Ordinary General Meeting |
| | (o) “National Holiday” means and includes a day declared as National Holiday by the Central Government. | National Holiday |

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| | (p) "Non-retiring Directors" means a director not subject to retirement by rotation. | Non-retiring Directors |
| | (q) "Office" means the registered Office for the time being of the Company. | Office |
| | (r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act. | Ordinary and Special Resolution |
| | (s) "Person" shall be deemed to include corporations and firms as well as individuals. | Person |
| | (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney | Proxy |
| | (u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act. | Register of Members |
| | (v) "Seal" means the common seal for the time being of the Company. | Seal |
| | (w) Words importing the Singular number include where the context admits or requires the plural number and vice versa. | Singular number |
| | (x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company. | Statutes |
| | (y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time. | These presents |
| | (z) "Variation" shall include abrogation; and "vary" shall include abrogate. | Variation |
| | (aa) "Year" means the "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act. | Year and Financial Year |
| | Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force. | Expressions in the Act to bear the same meaning in Articles |
| | CAPITAL | |
| 3. | The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time. | Authorized Capital. |
| 4. | The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act. | Increase of capital by the Company how carried into effect |
| 5. | Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. | New Capital same as existing capital |
| 6. | The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force. | Non Voting Shares |
| 7. | Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit. | Redeemable Preference Shares |
| 8. | The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares. | Voting rights of preference shares |
| 9. | On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise | Provisions to apply on issue of |



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| | <p>be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p> | Redeemable Preference Shares |
| 10. | <p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p> | Reduction of capital |
| 11. | Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution. | Debentures |
| 12. | The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder. | Issue of Sweat Equity Shares |
| 13. | The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called. | ESOP |
| 14. | 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. | Buy Back of shares |
| 15. | Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. | Consolidation, Sub-Division And Cancellation |
| 16. | Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country. | Issue of Depository Receipts |
| 17. | Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder. | Issue of Securities |

| | MODIFICATION OF CLASS RIGHTS | |
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| 18. | (a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three- fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation. | Modification of rights |
| | (b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking paripassu therewith. | New Issue of Shares not to affect rights attached to existing shares of that class. |
| 19. | Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being 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 and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. | Shares at the disposal of the Directors. |
| 20. | The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder. | Power to issue shares on preferential basis. |
| 21. | The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. | Shares should be Numbered progressively and no share to be subdivided. |
| 22. | An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member. | Acceptance of Shares. |
| 23. | Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid- up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid- up shares as aforesaid. | Directors may allot shares as full paid-up |
| 24. | The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly. | Deposit and call etc. to be a debt payable immediately. |
| 25. | Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which | Liability of Members. |



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| | may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof. | |
| 26. | Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind. | Registration of Shares. |
| | RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT | |
| 27. | The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act | |
| | CERTIFICATES | |
| 28. | <p>(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> <p>(d) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is —"Issued in lieu of Share Certificate No..... sub-divided/replaced/on consolidation of Shares".</p> | Share Certificates. |
| 29. | If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without | Issue of new certificates in place of those defaced, lost or destroyed. |

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| | <p>payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p> | |
| 30. | <p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p> | The first named joint holder deemed Sole holder. |
| | <p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p> | Maximum number of joint holders. |
| 31. | <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p> | Company not bound to recognise any interest in share other than that of registered holders. |
| 32. | <p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.</p> | Installment on shares to be duly paid. |
| | UNDERWRITING AND BROKERAGE | |
| 33. | <p>Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.</p> | Commission |
| 34. | <p>The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.</p> | Brokerage |
| | CALLS | |
| 35. | <p>1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>2) A call may be revoked or postponed at the discretion of the Board.</p> <p>3) A call may be made payable by installments.</p> | Directors may make calls |
| 36. | <p>Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.</p> | Notice of Calls |
| 37. | <p>A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.</p> | Calls to date from resolution. |
| 38. | <p>Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of</p> | Calls on uniform basis. |

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| | this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class. | |
| 39. | The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour. | Directors may extend time. |
| 40. | If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest upon the sum at such rate not exceeding 12% per annum or at such lower rate, if any, as the Board may determine, but the Board of Directors shall be at liberty to waive payment of that interest wholly or in part. | Calls to carry interest. |
| 41. | If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly. | Sums deemed to be calls. |
| 42. | On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. | Proof on trial of suit for money due on shares. |
| 43. | Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided. | Judgment, decree, partial payment motto proceed for forfeiture. |
| 44. | The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company. | Payments in Anticipation of calls may carry interest |
| | LIEN | |
| 45. | The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien | Company to have Lien on shares. |

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| | <p>shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p> <p>Provided that the fully paid shares shall be free from all lien, while in the case of partly paid shares, the company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.</p> | |
| 46. | <p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p> | As to enforcing lien by sale. |
| 47. | <p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.</p> | Application of proceeds of sale. |
| FORFEITURE AND SURRENDER OF SHARES | | |
| 48. | <p>If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p> | If call or instalment not paid, notice may be given. |
| 49. | <p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p> | Terms of notice. |
| 50. | <p>If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p> | On default of payment, shares to be forfeited. |
| 51. | <p>When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.</p> | Notice of forfeiture to a Member |



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| 52. | Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit. | Forfeited shares to be property of the Company and maybe sold etc. |
| 53. | Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so. | Members still liable to pay money owing at time of forfeiture and interest. |
| 54. | The forfeiture shares shall involve extinction at the time of the forfeiture, of all in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved. | Effect of forfeiture. |
| 55. | A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares. | Evidence of Forfeiture. |
| 56. | The Company may receive the consideration, if any, given for the share on any sale, re- allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares. | Title of purchaser and allottee of Forfeited shares. |
| 57. | Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto. | Cancellation of share certificate in respect of forfeited shares. |
| 58. | In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable. | Forfeiture may be remitted. |
| 59. | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, 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 and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. | Validity of sale |
| 60. | The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit. | Surrender of shares. |
| TRANSFER AND TRANSMISSION OF SHARES | | |
| 61. | The instrument of transfer of any share in or debenture of 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 or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof. | Execution of the instrument of shares. |
| 62. | The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. | Transfer Form. |

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| | Provided that the company shall use a common form of transfer. | |
| 63. | The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law. | Transfer not to be registered except on production of instrument of transfer. |
| 64. | Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever; | Directors may refuse to register transfer. |
| 65. | If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply. | Notice of refusal to be given to transferor and transferee. |
| 66. | No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company. | No fee on transfer. |
| 67. | The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board. | Closure of Register of Members or debenture holder or other security holders. |
| 68. | The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine. | Custody of transfer Deeds. |
| 69. | Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice. | Application for transfer of partly-paid shares. |
| 70. | For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. | Notice to transferee. |
| 71. | 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 person recognized by the Company as having any title to his interest in the shares. Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. | Recognition of legal representative. |

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| | <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p> | |
| 72. | <p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p> | <p>Titles of Shares of deceased Member</p> |
| 73. | <p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.</p> | <p>Notice of application when to be given</p> |
| 74. | <p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.</p> | <p>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</p> |
| 75. | <p>Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.</p> | <p>Refusal to register nominee.</p> |
| 76. | <p>Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.</p> | <p>Board may require evidence of transmission.</p> |
| 77. | <p>The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall</p> | <p>Company not liable for disregard of a notice prohibiting registration of transfer.</p> |

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| | nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit. | |
| 78. | In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit. | Form of transfer Outside India. |
| 79. | No transfer shall be made to any minor, insolvent or person of unsound mind. | No transfer to insolvent etc. |
| | NOMINATION | |
| 80. | <p>Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p> | Nomination |
| 81. | <p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>to be registered himself as holder of the security, as the case may be; or</p> <p>to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p> | Transmission of Securities by nominee |
| | DEMATERIALIZATION OF SHARES | |
| 82. | Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form. | Dematerialisation of Securities |
| | JOINT HOLDER | |
| 83. | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles. | Joint Holders |
| 84. | (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share. | Joint and several liabilities for all payments in respect of shares. |
| | (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person; | Title of survivors. |

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| | (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and | Receipts of one sufficient. |
| | (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders. | Delivery of certificate and giving of notices to first named holders. |
| | SHARE WARRANTS | |
| 85. | The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant. | Power to issue share warrants |
| 86. | The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. Not more than one person shall be recognized as depositor of the Share warrant. The Company shall, on two day's written notice, return the deposited share warrant to the depositor. | Deposit of share warrants |
| 87. | Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company. | Privileges and disabilities of the holders of share warrant |
| 88. | The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction. | Issue of new share warrant coupons |
| | CONVERSION OF SHARES INTO STOCK | |
| 89. | The Company may, by ordinary resolution in General Meeting. convert any fully paid-up shares into stock; and re-convert any stock into fully paid-up shares of any denomination. | Conversion of shares into stock or reconversion. |
| 90. | The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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. | Transfer of stock. |
| 91. | The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. | Rights of stock holders. |
| 92. | Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively. | Regulations. |
| | BORROWING POWERS | |
| 93. | Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, | Power to borrow. |

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| | or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose. | |
| 94. | Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting. | Issue of discount etc. or with special privileges. |
| 95. | The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be. | Securing payment or repayment of Moneys borrowed. |
| 96. | Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company. | Bonds, Debentures etc. to be under the control of the Directors. |
| 97. | If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed. | Mortgage of uncalled Capital. |
| 98. | Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. | Indemnity may be given. |
| | MEETINGS OF MEMBERS | |
| 99. | All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings. | Distinction between AGM & EGM. |
| 100. | (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members | Extra-Ordinary General Meeting by Board and by requisition |
| | (b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra- Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. | When a Director or any two Members may call an Extra Ordinary General Meeting |

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| 101. | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened. | Meeting not to transact business not mentioned in notice. |
| 102. | The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting. | Chairman of General Meeting |
| 103. | No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant. | Business confined to election of Chairman whilst chair is vacant. |
| 104. | 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. | Chairman with his consent may adjourn meeting. |
| 105. | In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member. | Chairman's casting vote. |
| 106. | Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith. | In what case poll taken without adjournment. |
| 107. | The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. | Demand for poll not to prevent transaction of other business. |
| | VOTES OF MEMBERS | |
| 108. | No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien. | Members in arrears not to vote. |
| 109. | Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. | Number of votes each member entitled. |
| 110. | On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. | Casting of votes by a member entitled to more than one vote. |
| 111. | A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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. | Vote of member of unsound mind and of minor |

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| 112. | Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company. | Postal Ballot |
| 113. | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. | E-Voting |
| 114. | In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. For this purpose, seniority shall be determined by the order in which the names stand in the register of members. | Votes of joint members. |
| 115. | Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles | Votes may be given by proxy or by representative |
| 116. | A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company. | Representation of a body corporate. |
| 117. | (a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable. | Members paying money in advance. |
| | (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken. | Members not prohibited if share not held for any specified period. |
| 118. | Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof. | Votes in respect of shares of deceased or insolvent members. |
| 119. | No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. | No votes by proxy on show of hands. |
| 120. | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. | Appointment of a Proxy. |



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| 121. | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. | Form of proxy. |
| 122. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used. | Validity of votes given by proxy notwithstanding death of a member. |
| 123. | No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. | Time for objections to votes. |
| 124. | Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. | Chairperson of the Meeting to be the judge of validity of any vote. |
| | DIRECTORS | |
| 125. | Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution Followings are the first directors of the company: 1. MR. SAWAR MAL GOYAL 2. MR. ANISH SINGHAL 3. MR. ANANYA GOYAL 4. MR. MUKESHCHAND GUPTA | Number of Directors |
| 126. | A Director of the Company shall not be bound to hold any Qualification Shares in the Company. | Qualification Shares. |
| 127. | Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s. | Nominee Directors. |
| 128. | The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director. | Appointment of alternate Director. |
| 129. | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting. | Additional Director |



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| 130. | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, 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, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him. | Directors power to fill casual vacancies. |
| 131. | Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof. | Sitting Fees. |
| 132. | The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified. | Travelling expenses Incurred by Director on Company's business. |
| PROCEEDING OF THE BOARD OF DIRECTORS | | |
| 133. | The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. | Meetings of Directors. |
| 134. | The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within Fifteen minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time. | Chairperson |
| 135. | Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote. | Questions at Board meeting how decided. |
| 136. | 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. | Continuing directors may act notwithstanding any vacancy in the Board |
| 137. | Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. | Directors may appoint committee. |
| 138. | The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article. | Committee Meeting show to be governed. |
| 139. | A committee may elect a Chairperson of its meetings. 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. | Chairperson of Committee Meetings |
| 140. | A committee may meet and adjourn as it thinks fit. 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. | Meetings of the Committee |



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| 141. | Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. | Acts of Board or Committee shall be valid notwithstanding defect in appointment. |
| | RETIREMENT AND ROTATION OF DIRECTORS | |
| 142. | Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and 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 had not been vacated as aforesaid. | Power to fill casual vacancy |
| | POWERS OF THE BOARD | |
| 143. | The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. | Powers of the Board |
| 144. | Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say | Certain powers of the Board |
| | (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India. | To acquire any property , rights etc. |
| | (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy. | To take on Lease. |
| | (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company. | To erect & construct. |
| | (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. | To pay for property. |
| | (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power. | To insure properties of the Company. |
| | (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit. | To open Bank accounts. |



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| | (7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit. | To secure contracts by way of mortgage. |
| | (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon. | To accept surrender of shares. |
| | (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees. | To appoint trustees for the Company. |
| | (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon. | To conduct legal proceedings. |
| | (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency. | Bankruptcy & Insolvency |
| | (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company. | To issue receipts & give discharge. |
| | (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name. | To invest and deal with money of the Company. |
| | (14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon; | To give Security byway of indemnity. |
| | (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise. | To determine signing powers. |
| | (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company. | Commission or share in profits. |
| | (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company. | Bonus etc. to employees. |
| | (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with | Transfer to Reserve Funds. |



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| | full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper. | |
| | (19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause. | To appoint and remove officers and other employees. |
| | (20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them. | To appoint Attorneys. |

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| | (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient. | To enter into contracts. |
| | (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees. | To make rules. |
| | (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company. | To effect contracts etc. |
| | (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests. | To apply & obtain concessions licenses etc. |
| | (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents. | To pay commissions or interest. |
| | (26) To redeem preference shares. | To redeem preference shares. |
| | (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or | To assist charitable or benevolent institutions. |



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| | subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise. | |
| | To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act. | |
| | (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise. | |
| | To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with. | |
| | MANAGING AND WHOLE-TIME DIRECTORS | |
| 145. | Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. | Powers to appoint Managing/ Whole-time Directors. |



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| | The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re- appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director. | |
| 146. | The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes. | Remuneration of Managing or Whole-time Director. |
| 147. | Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company. | Powers and duties of Managing Director or Whole-time Director. |
| | CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER | |
| 148. | Subject to the provisions of the Act,— 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 thinks 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; A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer. | Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer |
| | THE SEAL | |
| 149. | The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. | The seal, its custody and use. |

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| | The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India. | |
| 150. | The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. | Deeds how executed. |
| | DIVIDEND AND RESERVES | |
| 151. | (1) 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. (2) 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. (3) 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. | Division of profits. |
| 152. | The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting. | The company in General Meeting may declare Dividends. |
| 153. | The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. | Transfer to reserves |
| 154. | 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. | Interim Dividend. |
| 155. | The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. | Debts may be deducted. |
| 156. | No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share. | Capital paid up in advance not to earn dividend. |
| 157. | All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly. | Dividends in proportion to amount paid-up. |
| 158. | The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same. | Retention of dividends until completion of transfer under Articles. |
| 159. | No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company. | No Member to receive dividend whilst indebted to the company and the Company's right of |

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| | | reimbursement thereof. |
| 160. | A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer. | Effect of transfer of shares. |
| 161. | Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share. | Dividend to joint holders. |
| 162. | <p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> | Dividends how remitted. |
| 163. | 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. | Notice of dividend. |
| 164. | No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company. | No interest on Dividends. |
| CAPITALIZATION | | |
| 165. | <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(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</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>i. paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>ii. 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; or</p> <p>iii. partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p> | Capitalization. |
| 166. | <p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> | Fractional Certificates. |

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| | (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit. | |
| 167. | The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of ₹ 10 per page or any part thereof. | Inspection of Minutes Books of General Meetings. |
| 168. | The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting. | Inspection of Accounts |
| | FOREIGN REGISTER | |
| 169. | The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers. | Foreign Register. |
| | DOCUMENTS AND SERVICE OF NOTICES | |
| 170. | Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed. | Signing of documents & notices to be served or given. |
| 171. | Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company. | Authentication of documents and proceedings. |
| | WINDING UP | |
| 172. | Subject to the provisions of Chapter XX of the Act and rules made thereunder— 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. 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. 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 | |
| 173. | Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in | Directors' and others right to indemnity. |

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| | which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court. | |
| 174. | Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty. | Not responsible for acts of others |
| | SECRECY | |
| 175. | (a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained. | Secrecy |
| | (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate. | Access to property information etc. |

SECTION XIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus/ Prospectus will be delivered to the Registrar of Companies for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at Registered Office F-1, Plot No. A-48, 1st Floor, BLK A, Wazirpur, IND Area Landmark, NR. Opposite Fire Station, Wazir Pur III, North West Delhi, Delhi-110052, India, and on the website of the Company from date of filing the Red Herring Prospectus with Registrar of Companies to Issue Closing Date on working days from 10:00 a.m. to 5:00 p.m.

MATERIAL CONTRACTS

1. Memorandum of Understanding dated July 05, 2024 and addendum to this agreement dated June 14, 2025 between our Company and the Book Running Lead Manager.
2. Registrar to the Issue Agreement dated July 05, 2024 and addendum to this agreement dated June 14, 2025 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated July 05, 2024 and addendum to this agreement dated June 14, 2025 between our Company, the Book Running Lead Manager and Underwriters.
4. Market Making Agreement dated July 05, 2024 and addendum to this agreement dated June 14, 2025 between our Company, Book Running Lead Manager and Market Maker.
5. Banker to the Issue Agreement dated June 14, 2025 between our Company, the Book Running Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue.
6. Syndicate Agreement dated June 14, 2025 between Our Company, Book Running Lead Manager and Registrar to the Issue and Syndicate Members.
7. Tripartite agreement between the National Securities Depository Limited, our Company and the Registrar dated December 29, 2023.
8. Tripartite agreement between the Central Depository Services (India) Limited, our Company and the Registrar dated February 07, 2024.

MATERIAL DOCUMENTS

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation dated May 1, 2016 issued by Registrar of Companies, Central Registration Centre.
3. Fresh certificate of incorporation dated November 07, 2023, pursuant to conversion into a public limited company, issued by the Registrar of Companies, Delhi.
4. Resolution of the Board of Directors of our Company, passed at the Meeting of the Board of Directors held on June 02, 2024, in relation to the Issue.
5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on June 11, 2024, relation to the Issue.
6. The Statement of Possible Tax Benefits dated June 23, 2025, issued by the Statutory Auditor included in this Red Herring Prospectus.
7. Statutory Auditor's report for Restated Financials dated June 23, 2025 included in this Red Herring Prospectus.
8. Certificate on Key Performance Indicators issued by our Statutory Auditor dated June 23, 2025.
9. Consents of the Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Book Running Lead Manager, Underwriters, Market Maker to the Issue,

Registrar to the Issue, Legal Advisor to the Issue, and Banker(s) to the Company to include their names in this Red Herring Prospectus to act in their respective capacities.

10. Due Diligence Certificate dated June 23, 2025 addressed to SEBI from Book Running Lead Manager.
11. Approval from National Stock Exchange of India Limited vide letter dated March 11, 2025 to use the name of National Stock Exchange of India Limited in this Offer Document for listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited.

Any of the contracts or documents mentioned in this 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, with the consent of shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India, or the guidelines and regulations issued by the Securities and Exchange Board of India, established under Regulation 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Red Herring Prospectus are true and correct.

| NAME AND DESIGNATION | SIGNATURE |
|--|-----------|
| MR. SAWAR MAL GOYAL <i>Chairman and Managing Director</i> DIN:01896767 | Sd/- |
| MR. ANANYA GOYAL <i>Whole Time Director</i> DIN: 07492850 | Sd/- |
| MR. MANOJ DALMIA <i>Additional Non-Executive Director</i> DIN: 10549692 | Sd/- |
| MR. JAY KUMAR SHAW <i>Independent Director</i> DIN: 09627535 | Sd/- |
| MS. SHWETA BANSAL <i>Independent Director</i> DIN: 08396474 | Sd/- |

SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-
MR. AMALENDU KUMAR
Chief Financial Officer
PAN: CMAPK0351C

Sd/-
MS. SAKSHI SAREEN
Company Secretary & Compliance Officer
PAN: CWCPSP9777A

Place: Delhi
Date: June 23, 2025



Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES LIMITED

| Sr. No. | Issuer Name | Issue Size (Cr) | Issue Price (In ₹) | 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 |
|---------------------|--|-----------------|--------------------|-------------------|-------------------------------|---|---|--|
| Main Board | | | | | | | | |
| 1 | Akme Fintrade (India) Limited | 132.00 | 120.00 | June 26, 2024 | 127.00 | -11.82, [3.38] | -13.15, [7.93] | -28.58, [-0.17] |
| SME Platform | | | | | | | | |
| 1 | Amic Forging Limited | 34.80 | 126.00 | December 6, 2023 | 239.40 | 105.59, [3.42] | 190.37, [5.78] | 244.16, [9.78] |
| 2 | Interiors & More Limited | 42.00 | 227.00 | February 23, 2024 | 270.00 | -8.99, [-0.52] | -2.29, [1.73] | -6.53, [11.51] |
| 3 | Zenith Drugs Limited | 40.68 | 79.00 | February 27, 2024 | 110.00 | -40.37, [-0.58] | -37.14, [3.31] | -7.80, [11.82] |
| 4 | Owais Metal and Mineral Processing Limited | 42.69 | 87.00 | March 04, 2024 | 250.00 | 100.76, [0.13] | 361.20, [0.56] | 408.55, [12.26] |
| 5 | Associated Coaters Limited | 5.11 | 121.00 | June 06, 2024 | 142.00 | 51.59, [6.56] | 55.67, [9.69] | 40.10, [7.69] |
| 6 | Rapid Multimodal Limited | 8.49 | 84.00 | August 30, 2024 | 103.00 | -36.12, [3.89] | -44.63, [-4.03] | -50.05, [-9.43] |
| 7 | Paramount Dye Tec Limited | 28.43 | 117.00 | October 08, 2024 | 109.90 | -23.31, [-3.25] | -18.73, [216.73] | -47.87, [-8.43] |
| 8 | Subam Papers Limited | 93.70 | 152.00 | October 08, 2024 | 142.00 | -6.57, [-2.56] | -11.07, [-2.95] | -26.00, [-7.68] |
| 9 | Rapid Fleet Management Services Limited | 43.87 | 192.00 | March 28, 2025 | 195.00 | 5.57 [2.21] | N.A. | N.A. |
| 10 | Retaggio Industries Limited | 15.50 | 25.00 | April 07, 2025 | 25.10 | -18.25, [10.4] | N.A. | N.A. |

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

Note:

- The BSE SENSEX and NSE NIFTY are considered as the Benchmark Index.
- Price on BSE & NSE are considered for all the above calculations.
- In case 30th, 90th and 180th day is not a trading day, the price / index of the immediately preceding working day has been considered.
- In case 30th, 90th and 180th day, scripts are not traded then the share price is taken of the immediately preceding trading day.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Lead Manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

| Financial Year | Total no. of IPOs | Total Funds Raised ('in Cr.) | No. of IPOs trading at Discount-30 th calendar day from listing day | | | No. of IPOs trading at Premium-30 th calendar day from listing day | | | No. of IPOs trading at Discount-180 th calendar day from listing day | | | No. of IPOs trading at Premium-180 th calendar day from listing day | | |
|----------------|-------------------|------------------------------|--|----------------|---------------|---|----------------|---------------|---|----------------|---------------|--|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| Main Board | | | | | | | | | | | | | | |
| 2024-25 | 1 | 132.00 | -- | -- | 1 | -- | -- | -- | -- | 1 | -- | -- | -- | -- |
| SME Platform | | | | | | | | | | | | | | |
| 2023-24 | 10 | 300.86 | -- | 1 | 3 | 2 | 2 | 2 | -- | 1 | 3 | 6 | -- | -- |
| 2024-25 | 5^ | 179.61 | -- | 1 | 2 | 1 | -- | 1 | 1 | -- | -- | 2 | 1 | -- |
| 2025-26 | 1^ | 15.50 | -- | -- | 1 | -- | -- | -- | -- | -- | -- | -- | -- | -- |

Upto June 21, 2025

[^] The scrip of Rapid Fleet management Services Limited and Retaggio Industries Limited have not completed 180 days from the date of listing.