



REXPRO ENTERPRISES LIMITED

Our Company was originally incorporated as “REXPRO ENTERPRISES PRIVATE LIMITED” on March 12, 2012, vide certification of incorporation bearing Corporate Identity No. U36912MH2012PTC227967 under the provision of Companies Act, 1956 issued by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, the Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Mumbai, Maharashtra consequent upon conversion from Private Limited to Public Company dated August 9, 2024, to its present name of “REXPRO ENTERPRISES LIMITED” with the Corporate Identification Number U36912MH2012PLC227967. For further details, please refer to section titled “Our History and Certain Corporate Matters” beginning on page 172 of this Draft Prospectus.

Registered Office: Building No 2, WING A & B, Survey No -36, Hissa No 13, Waliv Village, Dhumal Nagar Valiv, Thane, Vasai – 401 208 Maharashtra, India.; **Telephone:** +91-84848 32162;

E-mail: cs@rexpro.co; **Website:** www.rexpro.co;

Contact Person: Khushboo Nilesh Rawat, Company Secretary & Compliance Officer;

Corporate Identity Number: U36912MH2012PTC227967

PROMOTERS OF OUR COMPANY ARE MINESH ANILBHAI CHOVIATIA, PREMAL NIRANJAN SHAH, RAGESH DEEPAK BHATIA AND RAVISHANKAR SRIRAMAMURTHI MALLA

ADDENDUM TO THE DRAFT PROSPECTUS DATED AUGUST 30, 2024: NOTICE TO THE INVESTORS (“THE ADDENDUM”)

INITIAL PUBLIC ISSUE OF UP TO 37,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF REXPRO ENTERPRISES LIMITED FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO ₹ [●] LAKHS COMPRISING OF FRESH OFFER OF UP TO 32,50,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (“FRESH OFFER”) AND AN OFFER FOR SALE OF UP TO 1,12,500 EQUITY SHARES EACH BY MINESH ANILBHAI CHOVIATIA, PREMAL NIRANJAN SHAH, RAGESH DEEPAK BHATIA AND RAVISHANKAR SRIRAMAMURTHI MALLA I.E 4,50,000 EQUITY SHARES (“SELLING SHAREHOLDERS”) AGGREGATING TO ₹ [●] LAKHS (“OFFER FOR SALE”) (“THE OFFER”) AND UP TO [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS (“NET OFFER”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 281 OF THIS DRAFT PROSPECTUS.

OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGER, MAY CONSIDER A PRE-IPO PLACEMENT OF UP TO 6,00,000 EQUITY SHARES FOR CASH CONSIDERATION (“PRE-IPO PLACEMENT”) PRIOR TO FILING OF THE PROSPECTUS WITH THE ROC. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE LEAD MANAGER. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE NUMBER OF EQUITY SHARES ISSUED PURSUANT TO THE PRE-IPO PLACEMENT SHALL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (“SCRR”).

Potential Bidders may note the following: “COVER PAGE”, “RISK FACTORS”, “CAPITAL STRUCTURE”, “OBJECTS OF THE ISSUE”, “OUR BUSINESS”, “OUR MANAGEMENT”, “STATEMENT OF FINANCIAL INDEBTEDNESS”, “MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULT OF OPERATIONS”, “OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS”, “GOVERNMENT AND OTHER APPROVALS”, “MATERIAL CONTACTS AND DOCUMENTS FOR INSPECTION AND “DISCLARATION” have been updated in accordance with the suggestions made by NSE.

The above is to be read in conjunction with the Draft Prospectus and accordingly their references in the Draft Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

Place: Mumbai, Maharashtra

Date: January 7, 2025

On behalf of Rexpro Enterprises Limited

Sd/

**Minesh Anilbhai Chovatia
Whole Time Director**

BOOK RUNNING LEAD MANAGER TO THE ISSUE



Horizon Management Private Limited

19 R N Mukherjee Road, Main Building,
2nd Floor, Kolkata- 700 001, West Bengal, India.

Telephone: +91 334 600 0607

Facsimile: +91 334 600 0607

Email ID: smeipo@horizon.net.co

Website: www.horizonmanagement.in

Investor Grievance ID: investor.relations@horizon.net.co

Contact Person: Aditya Gupta

SEBI Registration Number: INM000012926

REGISTRAR TO THE ISSUE



Cameo Corporate Services Limited

Subramanian Building” 1 Club House Road, Chennai- 600 002

Tel: +91 40 6716 2222

E-mail: priya@cameoindia.com

Investor Grievance e-mail: investor@cameoindia.com

Website: www.cameoindia.com

Contact Person: K. Sreepriya

SEBI Registration No.: INR000003753

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

UPI mandate end time and date shall be at 5.00 p.m. on the Issue Closing Date.

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SECTION II – SUMMARY OF ISSUE DOCUMENT

Utilisation of Net Proceeds

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount
1.	Purchase of Equipment and Renovation of Factory	Up to 2500.00
2.	Funding of working capital requirements of the Company	Up to 1000.00
3.	Pursuing Inorganic Growth	Up 352.00
4.	General Corporate Expenses	[●]

Notes:

- (1) The amount shall not exceed 25% of the gross proceeds of the Issue.
- (2) The amount for (i) general corporate purposes, and (ii) such objects where the issuer company has not identified acquisition or investment target, as mentioned in objects of the issue in the Prospectus, shall not exceed thirty-five per cent. of the amount being raised by the company.

SECTION III – RISK FACTORS

INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

4. Dependency on the State of Maharashtra for Procurement of Raw Materials.

The Company has been significantly dependent on the state of Maharashtra for the procurement of key raw materials during the past three fiscal years. Our manufacturing plants are strategically located in close proximity to vendors and distributors, through whom we procure more than 85% of the raw materials. The table below shows the quantum of procurement of raw materials along with percentage in last three years:

(₹ in lakhs)

State	FY 22	% of Purchase	FY 23	% of Purchase	FY 24	% of Purchase
Maharashtra	1,760.91	81.74%	3,455.19	85.41%	4,557.25	89.36%
Total Purchases	2,154.15	100.00%	4,045.60	100.00%	5,100.04	100.00%

Any disruption in the availability or supply chain of raw materials from this region could adversely affect the Company's business operations. Factors such as political instability, changes in state policies, labour strikes, natural disasters or transportation bottlenecks within Maharashtra could lead to delays or interruptions in the procurement process. Such disruptions could result in increased costs, project delays or an inability to meet customer demand, which may have a material adverse effect on the Company's financial condition and operational results.

Moreover, the Company's reliance on a specific geographical area may limit its ability to diversify its supply base, exposing it to concentration risks. While the Company is taking steps to identify alternative suppliers outside Maharashtra, there is no assurance that such efforts will mitigate the risks associated with this dependency.

5. Our Registered Office, factories and warehouses from where we operate are not owned by our Company. Any adverse impact on the title /ownership rights of the owner, from who's premises we operate our registered office, manufacturing units, warehouses or breach of the terms / non-renewal of the rent agreements, may cause disruption in our corporate affairs and business and impede our effective operations and thus adversely affect our profitability.

The details pertaining to Agreement executed, parties involved, license fees, tenure, purpose usage of property etc. are elaborated in section titled "Our Business—Properties" on page 118 of this Draft Prospectus. The details of these properties are as below;

Leave and License Agreement executed by our Company as Licensee						
Sr. No.	Licensor	Commencement date	Expiration Date	Usage	Area in Sq Ft	Address
1	Rexprovac Enterprises Pvt Ltd	01-04-2024	31-03-2029	Manufacturing Plant - I	30,891	Building No 2, A and B Wing, Survey No 36, Hissa No 13, Waliv Village, Dhuma Nagar, Vasai East, Palghar, Maharashtra -401208.
2	Mr.Khan Mudassir Samiullah,Mr. Khan Abdul Rehman Samiullah,Mr. Khan Samiullah Rojan,Mrs Khan	01-04-2024	31-03-2029	Manufacturing Plant – II	19,500	GROUND FLOOR Floor of a Building known as 'SAMIULLAH COMPOUND' standing on the plot of land bearing Survey Number :170 & HISSA NUMBER :2, Road: WAKANPADA ROAD, Location: VASAI EAST, of Village: Pelhar, situated within

	Israbonnisha Abdulrehman, Mrs Khan Mahjabeen Mudassir, Mrs Khan Amirjahan Abdul Hafeez					the revenue limits of Tehsil Vasai and Dist Palghar and situated within the limits of Palghar
3	Mr.Khan Mudassir Samiullah, Mr. Khan Abdul Rehman Samiullah, Mr. Khan Samiullah Rojan	01-03-2024	28-02-2029	Warehouse-1	8,500	GROUND FLOOR Floor of a Building known as 'SAMIULLAH COMPOUND' standing on the plot of land bearing Survey Number: Road: WAKANPADA ROAD, Location: VASAI EAST, of Village: Pelhar, situated within the revenue limits of Tehsil Vasai and Dist Palghar and situated within the limits of Palghar Municipal Corporation
4	Mrs Akila Banoo Mehmood Mitani, Mrs Qamrunnisa Mustaque Mithani, Mrs Zainab Afzal Mithani	01-07-2023	30-04-2025	Warehouse-2	12,000	Property No 6047, S No 333, Behind Sky Way Hotel, Wakanpada, Pelhar Vasai East- 401208
5	Mr Suresh Harilal Panchal	01-08-2023	31-05-2025	Warehouse-3	2,000	A/26, Ground Floor, Old Jivdani Industrial Estate, Survey no 34, Dhumal Nagar, Vasai East- 401208
6	Mr Kishor Dayalji Bhanushali HUF	01-11-2024	30-09-2025	Warehouse-4	550	Gala no 8, Ground Floor, Jivdani Ind Estate 02, Survey No 36, Dhumal Nagar, Vasai East- 401208
7	Mr Dodia Mitesh Narottambhai, Mrs Dodia Payal Mitesh	01-03-2023	30-11-2025	Warehouse-5	2,660	Gala Unit No 1, Grnd Floor, Jivdani Industrial Estate No 2, Survey No 36, Hissa No 11, Vasai East-401208
8	Mr Mehta Pooja Hiren	01-03-2023	30-11-2025	Warehouse-6	795	Gala No 7, Ground Floor, Jivdani Ind Estate No 2, Survey No 36, Hissa No 11, Dhumal Nagar, Vasai East-401208
9	Technocrats Security Sysytems Pvt Ltd	01-04-2024	28-02-2025	Warehouse-7	3,500	B 8 Jivdani Industrial Estate, Dhumal Nagar, Waliv, Vasai East-401208

10	Mr. Dubaria Velji Jeram	01-07-2023	30-04-2025	Warehouse-8	2,600	Gala No 5/6, Grnd Floor, Rajat Industrial Estate, Unique Industrial Complex, Dhumal Nagar, Waliv, Vasai East-401208
Leave and License Agreement executed by our Subsidiary as Licensee						
11	Yasin Valibhai Chotalia	01-06-2023	31-05-2028	Manufacturing Plant - III	11,730	Gala no 1, Grnd Floor, Dreams Industrial Estate, near Temple, Survey No 91, Hissa No 1, Village Poman, Vasai Palghar 401208
12	Premal Shah & Ragesh Bhatia	01-04-2024	28-02-2025	Registered Office of our Subsidiary	650	212 Bussa Industrial Estate, Shankar rao Naram Marg, Lower Parel, Mumbai -400013

We do not own our Registered Office and factories from where we carry on our business. The said office and factories have been taken on rental basis from third parties and at one location from our Promoter. Our Company has entered into lease agreement with the Promoters, Premal Shah and Ragesh Bhatia for Registered Office of our subsidiaries and with Promoter Group Entity, Rexprovac Enterprises Private Limited for Manufacturing Plant – I (Steel Section). Any adverse changes to the terms of these agreements or disputes with related parties could materially affect our operations. Furthermore, there is no assurance that such transactions will continue on terms favourable to our Company, or that similar transactions with unrelated third parties would not have been more favourable. The present transactions have been carried out at an arm's length basis. For details on the duration of existing rent agreements for our offices, please refer to Chapter titled '*Our Business*' beginning on page 127 of this Draft Prospectus. In the event of any dispute of title of owner of premises, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, financial condition and results of operations may be adversely affected.

6. *Our business is dependent on our manufacturing activities and we are subject to all risks associated with manufacturing processes. Any disruptions caused in our manufacturing activities could materially and adversely affect our business, financial condition, cash flows and results of operations.*

All our manufacturing facilities are based in Maharashtra. We are dependent on our manufacturing facilities which are dedicated for manufacturing our diverse range of products. Our business is dependent on our ability to efficiently manage our manufacturing facilities and the operational risks associated with it, including those beyond our reasonable control. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations, including on account of power failure, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, non-availability of adequate labour or disagreements with our workforce, lock-outs, lockdowns, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances or infectious disease outbreaks, could reduce our ability to meet the conditions of our contracts and adversely affect sales and revenues from operations in such fiscal period. Disruptions in our manufacturing operations could delay production or require us to temporarily or permanently cease operations at our manufacturing facilities and require us to incur additional expenditure to attempt to mitigate such disruption. There have been no instances in the past in the company.

7. *We have not entered into any long-term contracts with any of our customers and typically operate on the basis of purchase orders, which could adversely impact our revenues and profitability.*

Our revenue from operations concentrated to a few top 10 customers are aggregating to:

(₹ in lakhs)

Fiscal Year	Amount	Percentage
2024	5,377.94	64.80%
2023	4,134.55	65.75%
2022	2,558.93	71.74%

We presently do not have any long-term or exclusive arrangements with any of our customers. 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 for 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. 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. 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.

8. We are dependent on various kinds of Suppliers for the supply of raw materials, services and finished goods.

Our business is significantly affected by the availability, cost and quality of the raw materials and bought out items, which we need to construct, develop and provide for our projects, products and services. The prices and supply of raw materials and bought out items depend on factors not under our control, including domestic and international general economic conditions, competition, availability of quality suppliers, production levels, transportation costs and import duties. Although we may enter into back-to-back supplier contracts or provide for price contingencies in our contracts to limit our exposure, if, for any reason, our primary suppliers of raw materials and bought out items should curtail or discontinue their delivery of such materials to us in the quantities we need, provide us with raw materials and bought out items that do not meet our specifications, or at prices that are not competitive or not expected by us, our ability to meet our material requirements for our projects could be impaired, our construction schedules could be disrupted and our results of operations and business could suffer.

The table below provides the amount of purchase from our top five and top ten suppliers;

(₹ in lakhs)

Fiscal Year	Top 5		Top 10	
	Amount	Percentage	Amount	Percentage
2024	1342.61	38.53%	1729.27	49.63%
2023	1085.06	32.16%	1581.48	46.87%
2022	695.80	35.60%	947.02	48.45%

While we have not experienced any such instances in the past three years, however, the loss of one or more of our significant suppliers or a reduction in the amount of raw material we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. Our reliance on a selected group of suppliers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance. The deterioration of the financial condition or business prospects of these suppliers could reduce their ability to meet our requirements and accordingly result in a significant decrease in our revenues. Further, there can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply. In the absence of long-term supply contracts, we cannot assure you that a particular supplier will continue to supply to us that we currently source from them in the future. Any change in the supplying pattern can adversely affect our business, results of operations, financial condition and cash flows.

9. A significant portion of our revenues are derived from a specific regional area and any adverse developments in this region could have an adverse effect on our business, cash flows, results of operations and financial condition.

The table below provides details of our revenue from operation from Maharashtra and outside Maharashtra:

(₹ in lakhs)

Particulars	Fiscal Year 2022 (Standalone)		Fiscal Year 2023 (Consolidated)		Fiscal Year 2024 (Consolidated)	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Maharashtra	1,829.16	51.28%	2,944.06	46.82%	4,549.06	54.82%
Outside Maharashtra	1,737.77	48.72%	3,343.93	53.18%	3,749.60	45.18%
Total	3,566.93	100.00%	6,287.99	100.00%	8,298.66	100.00%

Most of our revenues aggregating to approximately 55% are generated from Maharashtra. In FY 2024, we have carried out operations in 29 states and union territories for revenue generated outside Maharashtra. We are at risk of any political, social, economic unrest in the state. Maharashtra has been a very progressive state for the past 76 years post-independence of our country. We are also having a good amount business in the western region but outside the state of Maharashtra and to that effect our business is safeguarded.

10. Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.

The demand for our products depends on quality that we manufacture and sell. Any failure of ours to maintain the quality standards may affect our business. In the year FY 2022-23, our products worth around Rs. 70 lakhs were rejected owing to the quality of material based on its finishing by our internal quality control department. Although we have put in place strict quality control procedures, we cannot assure that our products manufactured will always be able to clear our internal quality control and satisfy our customer's quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

11. We have in past entered into related party transactions and we may continue to do so in the future.

As of March 31, 2024, we have entered into several related party transactions with our Promoters, individuals and entities forming part of our promoter group relating to our operations. As on March 31, 2024, 2023 and 2022 we have paid rental expenses to Rexprovac Enterprises Private Limited (Promoter Group) amounting to Rs. 79.50 Lakhs, Rs. 66.10 Lakhs and Rs. 48 Lakhs respectively which have been paid on arm's length basis. In addition, we have in the past also entered into transactions with other related parties. For further details, please refer to the chapter titled "Restated Financial Information" on page 204 of Draft Prospectus.

While we believe that all our related party transactions have been conducted on an arm's length basis, and we confirm that the related party transactions entered into by the company are in compliance with the relevant provisions of Companies Act and other applicable laws, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

13. Our operations may be adversely affected in case of industrial accidents at our production facilities.

Usage of heavy machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans, etc. may result in accidents, which could cause injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. There have been no instances in the past in the company. Though our plants and machinery are covered under insurance, occurrence of accidents could hamper our production and consequently affect our profitability. Further, no such industrial accidents at our production facilities have occurred in the past.

14. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of these approvals are required to be transferred in the name of "Rexpro Enterprises Limited" from "Rexpro Enterprises Private Limited" pursuant to conversion and name change of our company and any failure or delay in obtaining such approvals or renewal of the same in a timely manner may adversely affect our operations.

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. We were a private limited company in the name of "Rexpro Enterprises Private Limited". After complying with the relevant provisions and procedures of Companies Act, 2013, our company was converted into public limited company, followed by the name change of our company to "Rexpro Enterprises Limited". We shall be taking necessary steps for transferring the approvals in new name of our company. We are providing herewith the details of the approvals/license which are under process:

Sr. No.	Government Approvals/license	Status
1	Importer-Exporter Code	Applied for
2	Registration & License to work a Factory for Manufacturing Plant I	Approved
3	Registration & License to work a Factory for Manufacturing Plant II	Approved
4	Registration & License to work a Factory for Manufacturing Plant III	Approved
5	Maharashtra Pollution Control Board- Manufacturing Plant I	Approved
6	Maharashtra Pollution Control Board- Manufacturing Plant II	Approved

7	Maharashtra Pollution Control Board- Manufacturing Plant III	Approved
8	Permanent Account Number (PAN)	Approved
9	Tax Deduction Account Number (TAN)	Applied for
10	GST Registration	Approved
11	PTRC Act	Applied for
12	Employees' Provident Fund Organisation	Applied for
13	Employee State Insurance	Applied for

For further details, please refer the chapter titled “Government and Other Approvals” on page 264-266 of this Draft Prospectus. In case we fail to transfer/obtain the same in name of our company same may adversely affect our business or we may not be able to carry our business.

Any failure to apply for and obtain the required approvals, licenses, registrations or permits in a timely manner, or any suspension or revocation of any of the approvals, licenses, registrations, and permits would result in a delay in our business operations which could otherwise adversely affect our financial condition, results of operations and prospects of our company. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged noncompliance with any terms or conditions thereof, or pursuant to any regulatory action. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business and results of operations. For further details, please refer the chapter titled “Government and Other Approvals” beginning on page 264 of this Draft Prospectus.

16. Our Company has not placed orders for plant and machinery required by us for which funds are being raised through this Issue. Any delay in placing the orders or supply of these equipment’s may result in time and cost overruns and may affect our profitability.

Our Company proposes to utilise the funds for procurement of plant and machineries for conducting smooth operations. Our Company has identified the plant and machineries proposed to be acquired and have received the quotations for the same from the suppliers, but we have not placed orders for the said plant and machineries aggregating to Rs. 1,798.94 Lakh which are proposed to be acquired for our expansion plan by utilization of Issue Proceeds. Presently, 100% of the orders are pending. For further details read section, see “Objects of the Issue” on page 83 of this Draft Prospectus. Our Company is further subject to risks on account of inflation in the price of such plant and machineries. Any delay in access to Issue Proceeds or any inaccuracy in the management estimates would eventually delay the process of placing the orders.

17. Risk of Recall on Unsecured Loans taken by the Issuer and its Subsidiaries.

The company and its subsidiaries have taken unsecured loans, which may be recalled at any time by the lenders. These loans do not have any collateral securing them, and as a result, lenders have the contractual right to demand repayment at short notice or without prior warning. In the situation, the lenders choose to recall these loans, the company may face significant liquidity challenges, which could negatively impact its financial position and operational capacity.

If the company is unable to generate sufficient funds to meet these obligations, it could result in financial distress, default on other debt obligations, and materially adverse effects on its business, results of operations, and financial condition.

18. Risk of delays in the implementation of the project for which funds are being raised.

The funds being raised through the public issue are intended to finance the objects of the company. While the company has established a schedule for the implementation of the project, there is a risk of delays due to factors beyond the company’s control. These factors may include, but are not limited to regulatory or environmental approvals, supply chain disruptions and unfavourable weather conditions. Any delay in the project’s implementation could result in cost overruns, negatively impacting the return on investment. Furthermore, delayed project completion may impair the issuer’s ability to generate anticipated revenue streams, affecting the financial projections and overall profitability. This could materially and adversely affect the issuer’s financial condition, business operations, and future growth prospects.

19. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.

There are no negative cash flow from operating activities in the last three financial years. However, Negative Cash Flow in future years could affect our business and growth. The detailed break up of cash flows is summarized in below mentioned

table:

Sr. No.	Particulars of Net Cash from	For the Financial Year ending March 31,		
		2022	2023	2024
1.	Operating Activities	27.06	203.56	21.40
2.	Investing Activities	(178.83)	(219.42)	(101.91)
3.	Financing Activities	144.89	127.62	44.13

For further information, see ‘Restated Financial Information’ on page 204 of this Draft Prospectus.

23. *The Company has availed insurance cover for Furniture and Fixtures, Plant and Machinery, Raw Material etc., however, it may be inadequate to protect us fully from all losses and damages which in turn would adversely affect our financial condition and results of operations.*

The Company has availed various insurance policies such as transit insurance, fire and burglary insurance, equipment insurance, covering the future unforeseen liabilities that might occur in the normal course of business. However, there can be no assurance that the insurance policies will adequately cover losses and damages which may be suffered by us. Losses suffered by our Company in excess of the availed insurance coverage or due to occurrence of unforeseen events will have to be borne by our Company itself. Also, there cannot be any assurance that all claims made by the Company will be honoured duly by the insurers. If our claims are not fully honoured, our financial condition may be affected adversely. There have been no instances in the past in the company. For further details, kindly refer section titled “Our Business – Insurance” on page 162 of this Draft Prospectus.

29. *We propose to utilize a portion of the Net Proceeds to undertake acquisitions for which targets have not been identified. Our inability to complete such transactions may adversely affect our competitiveness and growth prospects and our proposed deployment of the Net Proceeds with respect to unidentified acquisitions are based on management estimates and the same have not been independently appraised by a bank or a financial institution.*

We intend to utilize our Net Proceeds towards pursuing inorganic initiatives. The amount of Net Proceeds identified for acquisitions is based on our management’s estimates. The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of strategic initiatives undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. The portion of the Net Proceeds allocated towards the acquisitions and strategic initiatives may not be the total value or cost of any acquisitions but is expected to provide us with sufficient financial leverage to enter into binding agreements. As on the date of this Prospectus, we have not entered into any definitive agreements towards any future acquisitions or strategic initiatives.

The Objects of the Offer have not been appraised by any bank or financial institution, and our funding requirement is based on current conditions, internal estimates and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of our industry, we may have to revise our acquisition plans from time to time and consequently our funding requirements may also change. Moreover, any failure or delay on our part to identify a suitable and appropriate target entity in a time bound manner may also have an adverse effect on the interests of the Company. The investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds and identifying a suitable and appropriate target business entity for the purpose of acquisition.

Our Company, in accordance with the applicable law and to attain the objects set out above, will have the flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described above, our Company may temporarily deposit the Net Proceeds within one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations. Further, our Promoter would be liable to provide an exit opportunity to shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement of our Promoter to provide an exit opportunity to such dissenting shareholders may deter the Promoters’ from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the

interest of our Company. Further, we cannot assure you that the Promoter of our Company will have adequate resources at its disposal at all times to enable it to provide an exit opportunity at the price prescribed by SEBI.

30. Significant security breaches in our computer systems and network infrastructure, fraud, systems failures and calamities would adversely impact our business.

We are required to protect our computer systems and network infrastructure from physical and online break-ins as well as security breaches and other disruptive problems caused by our increased internet connectivity. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and networks. These concerns will intensify with our increased dependence on technology. We employ security systems, including firewalls and password encryption, designed to minimize the risk of security breaches but there can be no assurance that these security measures will be successful. Breaches of our security measures could affect the security of information stored in and transmitted through these computer systems and network infrastructure. A significant failure in security measures could have a material adverse effect on our business and our future financial performance. There have been no instances in the past in the company.

32. There have been certain instances of non-compliances in respect of Tax / ROC / Employee benefit related filing or payments.

In the past, there have been certain instances of delays in filing statutory forms, such as AOC 4, MGT 7, ADT-3, ADT1 as per the reporting requirements Companies Act, 2013 with the RoC and delay in filing of GST returns, payment of taxes, filing of EPFO returns etc., which have been subsequently filed by payment of an additional fees / interest / penalties as prescribed in the Companies Act, 2013 and other applicable regulations. The details of such instances of delayed filings have been provided below:

Name of the Form	Due Date	Date Filed	Delay Period (No. of Days)
MGT-14	05-07-2024	24-07-2024	19
Form ADT-1	30-06-2024	17-07-2024	17
INC 27	05-07-2024	11-07-2024	6
Form DPT-3	29-06-2023	30-07-2023	31
Form AOC-4	30-10-2022	31-10-2022	1
Form DPT-3	29-06-2022	25-07-2022	26
Form DPT-3	29-06-2021	31-08-2021	63
GST Payment	20-04-2024	04-05-2024	14
GST Payment	20-02-2024	02-03-2024	11
GST Payment	20-02-2024	29-02-2024	9
GST Payment	20-01-2024	09-02-2024	20
GST Payment	20-12-2023	08-01-2024	19
GST Payment	20-11-2023	28-11-2023	8
GST Payment	20-10-2023	26-10-2023	6
GST Payment	20-09-2023	06-10-2023	16
GST Payment	20-08-2023	02-09-2023	13
GST Payment	20-07-2023	09-08-2023	20
GST Payment	20-06-2023	03-07-2023	13
GST Payment	20-05-2023	08-06-2023	19
Provident Fund Payment	15-06-2023	16-06-2023	1
Professional Tax Payment	30-04-2024	28-09-2024	151
Professional Tax Payment	28-02-2024	30-03-2024	31
Professional Tax Payment	31-01-2024	30-03-2024	59
Professional Tax Payment	31-12-2023	30-03-2024	90
Professional Tax Payment	30-11-2023	30-03-2024	121
Professional Tax Payment	31-10-2023	30-03-2024	151
Professional Tax Payment	30-09-2023	30-03-2024	182

Professional Tax Payment	31-07-2023	22-08-2023	22
Professional Tax Payment	30-06-2023	22-08-2023	53
Professional Tax Payment	31-05-2023	22-08-2023	83
Filing of TCS Return	15-05-2024	31-05-2024	16

Reasons for delay in Statutory filing-

- i. ROC related filings- In the earlier years, the company didn't have Company Secretary who can take care of the data related to the specific technical forms such as MGT-14, DPT-3 etc, which leads to untimely preparation of data and not providing the same in time to the consultants which leads to delay in filing of ROC related forms.

Corrective Steps- Currently, the company has a full time Khushboo Nilesh Rawat, Company Secretary as compliance officer who has the responsibility of timely preparation of data and filing of necessary ROC forms.

- ii. GST filings & payments- Earlier the company was not getting the required data from its few vendors related to Purchases and ITC on time and also in a few instances the vendors also delayed their respective filing which led to decrease in the ITC amount. Due to these issues the company took time to reconcile these mismatches and the company had to pay the extra GST amount every month which led to delay in the filing of returns.

The management runs its operations frugally and does not resort to bank borrowings to meet its gaps in cash flow management and makes payment to the authority on receiving commensurate payment from its operations. This also has led to delays in payments to regulators.

Corrective Steps- Currently, the company has appointed SLC as the CFO of the company who has the responsibility of ensuring such delay do not happen in future. The company has adopted a strategy where the company will make the GST payment to the vendors only when they will give all the data related to purchases on time and when the GST will reflect in company's GSTR-2B, then only, the company shall release the GST payment which will help the company to avoid double payment of GST and also, to make the payment to Government on time and regularise the filing of returns within the due dates.

- iii. Professional Tax – Professional Tax Periodicity for FY 23 was on Annually basis, so we assume that the periodicity is unchanged for FY 24, because on portal updated periodicity is not shown however in order to reduce our professional tax liability we made some advance payment in Aug 23.

We have not been issued any notice for any of the above referred defaults but in future we may get notices for these discrepancies. Therefore, we cannot confirm that no action from authorities would be taken against the Company pursuant to the above explained instances which may adversely affect our business and financial operations.

The Company has called a Board Meeting on 07.10.2024 specifically to form a committee who will address the following:

- Timely providing the data to the concerned person who is filing the respective statutory forms;
- Payment of Statutory dues and filing of the forms within the due date;
- Timely response of all the statutory notices; and
- In every 45 days the committee will give a review to the Board."

The Committee has three members:

Sr No.	Name of the Member	Designation
1	Paras Tushar Shah (Chairman)	Non-executive Independent Director
2	Premal Niranjana Shah (Member)	Managing Director
3	Shankar Laxman Chalke (Member)	CFO

33. Customers may cancel their purchase orders of our products despite their deposit payment, thus harming our business, prospects, financial condition and results of operations.

Customer issue purchase orders for our products which may not result in actual purchase. Customers may cancel their

purchase orders for reasons beyond our control, such as changes in their preferences, their perception of the quality of our products and their financial situation. Further, the wait period from order confirmation to delivery is generally between 30 to 60 days and in some instances even longer, which may impact customer purchase decisions. If we encounter delays in the deliveries of our products a significant number of orders may be cancelled. We may, in the future, also experience a higher level of customer cancellations, such as due to changes in government incentive schemes. The cancellation of a fully paid and confirmed purchase order would cause a lesser outflow of funds than the cancellation of a purchase order for which the customer has placed a nominal deposit, resulting in a greater impact on our results of operations. Such occurrences could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. We may experience a higher rate of cancellations on pre-orders than on confirmed orders for which customers have paid in full. There have been no instances in the past in the company.

34. Risk relating to unregistered Lease and License agreement.

Our company operates on leased property for certain operations and lease agreements for our warehouse have not been registered with the relevant authorities. Under applicable laws, the failure to register lease agreements may result in limited enforceability of the lease in courts, and the company could face potential legal challenges or disputes over the validity of the lease. This may also expose us to risks, such as the lessor's ability to challenge the lease terms, including rent, lease tenure, or other critical provisions, which could adversely affect our operations.

Additionally, non-registration may lead to challenges in securing financing or government approvals related to the leased property, as lenders or authorities may require a registered lease agreement as part of their due diligence. If we are unable to register these lease agreements in a timely manner or if any disputes arise as a result, it could materially affect our business, financial condition, and results of operations.

37. Breaches in data security, failure of information security systems and privacy concerns could adversely impact our financial condition, subject us to penalties, damage our reputation and brand, and harm our business, prospects, results of operations and cash flows.

We expect to face significant challenges with respect to information security and privacy, including in relation to the collection, storage, transmission and sharing of personal and sensitive information of our employees and customers, including names, accounts, customer IDs and passwords and payment or transaction related information. There have been no instances in the past in the company. We have implemented remedial measures in response to such potential incidents. We cannot guarantee that such measures will prevent all incidents in the future.

We may face difficulties or delays in identifying or otherwise responding to any attacks or actual or potential security breaches or threats. A breach in our data security could create system disruptions or slowdowns and provide malicious parties with access to information including information on our product lines stored on our networks, resulting in data being publicly disclosed, altered, lost, or stolen, which could subject us to liability and adversely impact our financial condition. Such access could adversely impact the safety of our employees and customers.

Further, we also face risks relating to compliance with applicable laws, rules and regulations relating to the collection, storage, use, sharing, disclosure, protection and security of personal information, as well as requests from regulatory and government authorities relating to such data. These laws, rules, and regulations evolve frequently, and their scope may continually change, through new legislation, amendments to existing legislation, and changes in enforcement. In addition, many laws and regulations relating to privacy and the collection, storage, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts or regulators. For instance, in order to ensure data privacy, our Company is required to ensure compliance with the Information Technology Act, 2000 ("IT Act") and the rules notified thereunder, including the information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("Privacy Rules"), which prescribe, inter alia, direction for collection, disclosure, transfer and protection of sensitive personal data. Further, the Government of India recently enacted the Digital Personal Data Protection Act, 2023 ("Data Protection Act"), which received President's assent on August 11, 2023. The Act shall come in 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 this legislation. The Data Protection Act, when notified, would require data fiduciaries (persons who alone or in conjunction with other persons determine purpose and means of processing of personal data), such as us, to implement organizational and technical measures to ensure compliance with obligations imposed under the Data Protection Act, protect personal data and impose reasonable security safeguards to prevent breach of personal data and establish mechanism for redressal of grievances of data principals. In case we are notified as a significant data fiduciary under the Data Protection Act, we may have additional obligations imposed on us. Overall, changes in laws or regulations relating to privacy, data protection, and information security, particularly any new or modified laws or regulations,

such as the General Data Protection Regulation (“GDPR”) adopted by the European Union (“EU”), or changes to the interpretation or enforcement of such laws or regulations, that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure, could require us to modify our existing systems or invest in new technologies to ensure compliance with such applicable laws, which may require us to incur additional expenses. Any actual, alleged or perceived failure to prevent a security breach or to comply with our privacy policies or privacy-related legal obligations, failure in our systems or networks, or any other actual, alleged or perceived data security incident we or our suppliers suffer, could result in damage to our reputation, negative publicity, loss of customers and sales, loss of competitive advantages over our competitors, increased costs to remedy any problems and provide any required notifications, including to regulators and/or individuals, and otherwise respond to any incident, regulatory investigations and enforcement actions, costly litigation such as civil claims including representative actions and other class action type litigation, and other liabilities.

In addition, we may incur significant financial and operational costs to investigate, remediate and implement additional tools, devices and systems designed to prevent actual or perceived privacy breaches and other privacy incidents, as well as costs to comply with any notification obligations resulting from any such incidents. Any of these negative outcomes could adversely impact the market perception of our products and customer and investor confidence in our company, and would materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

40. Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties, and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may end in writing-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected. There has been no instances in the past in the company.

We are having the back up for all of our directors and Key Managerial Personnel for their profile. We are omitting the Risk Factor 39.

In the Prospectus, we undertake to realign the numbering of risk factor considering inclusion of new Risk Factors.

SECTION VI – INTRODUCTION

OBJECTS OF THE ISSUE

Requirement of Funds and Utilization of Net Proceeds

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount
1.	Purchase of Equipment and Renovation of Factory	Up to 2500.00
2.	Funding of working capital requirements of the Company	Up to 1000.00
3.	Pursuing Inorganic Growth	Up 352.00
4.	General Corporate Expenses	[●]

Proposed schedule of implementation and utilization of Net Proceeds

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

(₹ in lakhs)

Sr. No.	Particulars	Amount to funded from Net Proceeds	Amount to be deployed from the Net Proceeds in Financial Year 2025	Amount to be deployed from the Net Proceeds in Financial Year 2026
1	Purchase of Equipment and Renovation of Factory	2500.00	2500.00	-
2	Working Capital Requirements	1000.00	1000.00	-
3	Pursuing Inorganic Growth ⁽²⁾	352.00	-	352.00
4	General Corporate Purposes ^{(1) (2)}	[●]	[●]	[●]
	Total	[●]	[●]	[●]

Notes:

1. To be finalised upon determination of Issue Price. The amount shall not exceed 25% of the gross proceeds of the Issue.
2. The amount shall not exceed 25% of the gross proceeds of the Issue.
3. The amount for (i) general corporate purposes, and (ii) such objects where the issuer company has not identified acquisition or investment target, as mentioned in objects of the issue in the Prospectus, shall not exceed thirty-five per cent. of the amount being raised by the company.

Details of the objects of the Issue

1. Purchase of Equipment and Factory Renovation:

Purchase of Equipment:

On an ongoing basis, we invest in the procurement of equipment, which is utilized by us in carrying out our business, based on our Order Book and the future requirements estimated by our management. We propose to utilize ₹ 1,798.94 lakhs out of the Net Proceeds towards purchase of below mentioned equipments.

While we propose to utilize ₹ 1,798.94 lakhs towards purchasing equipment, based on our current estimates, the specific number and nature of such equipment to be procured by our Company will depend on our business requirements. An indicative list of such equipments that we intend to purchase, along with details of the quotations we have received in this respect is set forth below.

Sr. No.	Description of Equipment	Cost per unit (₹ in lakhs)	Quantity	Amount (₹ in lakhs)	Name of Vendor	Date of Quotation	Validity	Location where plant to be installed
1	U Motion Classic Panel Return System for F600 / F800	39.60	1	39.60	Felder Woodworking Machines Pvt Ltd	06/06/2024	20/02/2025	Unit No.2 PL09/459, Ground Floor, Samiullah Compound,

								Wakanpada Road, Pelhar, Vasai East, Palghar, Thane, Maharashtra, 401208
2	FORMAT-4 Kappa Beam Saw KA classic 43.32	74.70	1	74.70	Felder Woodworking Machines Pvt Ltd	20/08/2024	20/02/2025	Unit No.2 PL09/459, GROUND Floor, Samiullah Compound, Wakanpada Road, Pelhar, Vasai East, Palghar, Thane, Maharashtra, 401208
3	FORMAT-4 TEMPORA 60.06 L	80.74	1	80.74	Felder Woodworking Machines Pvt Ltd	06/06/2024	20/02/2025	Unit No.2 PL09/459, Ground Floor, Samiullah Compound, Wakanpada Road, Pelhar, Vasai East, Palghar, Thane, Maharashtra, 401208
4	EDGEBANDING MACHINE TEMPORA 60.12/2 EDelivery	108.90	1	108.90	Felder Woodworking Machines Pvt Ltd	06/06/2024	20/02/2025	Unit No.2 PL09/459, Ground Floor, Samiullah Compound, Wakanpada Road, Pelhar, Vasai East, Palghar, Thane, Maharashtra, 401208
5	AE2610NT	170.00	1	170.00	Amada (India) Private Limited	25/07/2024	25/01/2025	Unit No 1 Building No. 2 A&B Wing Survey No. 36 Hissa No. 13. Dhumal Nagar Vasai Phata Vasai East. Di. Palghar 401208
6	Automatic Panel Bender/KR-P2000A	250.00	1	250.00	Laser Technologies Pvt. Ltd	20/08/2024	20/02/2025	Unit No 1 Building No. 2 A&B Wing Survey No. 36

								Hissa No. 13. Dhumal Nagar Vasai Phata Vasai East. Di. Palghar 401208
7	Robotic Welding Machine-1.5KW Max Laser Source	50.00	5	250.00	Laser Technologies Pvt. Ltd	14/08/2024	14/02/2025	Unit No 1 Building No. 2 A&B Wing Survey No. 36 Hissa No. 13. Dhumal Nagar Vasai Phata Vasai East. Di. Palghar 401208
8	VS3015AJ-3KW	275.00	1	275.00	Amada (India) Private Limited	25/07/2024	25/01/2025	Unit No 1 Building No. 2 A&B Wing Survey No. 36 Hissa No. 13. Dhumal Nagar Vasai Phata Vasai East. Di. Palghar 401208
9	ENSIS3015RI- 3KW	550.00	1	550.00	Amada (India) Private Limited	25/07/2024	25/01/2025	Unit No 1 Building No. 2 A&B Wing Survey No. 36 Hissa No. 13. Dhumal Nagar Vasai Phata Vasai East. Di. Palghar 401208
Total				1,798.94				

Capacity Increase with machine addition:

Particulars	Process Capacity p.a.	Additional Capacity with new machine (approx.)	Capacity increased in terms of percentage over present capacity	Unit	Products
Metal Unit Unit No 1 Building No. 2 A&B Wing Survey No. 36 Hissa No. 13. Dhumal Nagar Vasai Phata Vasai East. Di. Palghar 401208	2200	1600-1800	72%-82%	tonnes	Sheet metal and tube processing for Retail, Infrastructure, Kiosk- Retail

Wood Unit Unit No.2 PL09/459, Ground Floor, Samiullah Compound, Wakanpada Road, Pelhar, Vasai East, Palghar, Thane, Maharashtra, 401208	1350000	350000	26%	Sq. ft.	MDF, Ply panels for Retail, Institutional
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The above estimates are certified by R. J. Kamothi, Chartered Engineer vide certificate number RJK/CE-1/2024/10-19 dated October 19, 2024.

Benefits Post Installation of machinery and completion of Civil work:

1. Increase in production capacity as given above;
2. Faster turnaround time with multiple lines;
3. Helping sales team to acquire more projects especially with lower turnaround time from client;
4. Reduction in manpower leading to lower cost per unit;
5. Improvement in quality;
 - a. Better welding finish - Less finishing needed;
 - b. Dust free environment results in improved spotless finishes;
6. Higher accuracy in final finished product leading to lower rejection;
7. Can service more premium clients in beauty and luxury sectors;
8. Lower risk from machine downtime with multiple lines of production; and
9. Create an infrastructure at par with China for manufacturing in India.

Renovation of Factory:

The estimated total cost of proposed renovation and repair of factory building will be ₹ 737.53 lakhs. Our company proposes to utilise upto ₹ 737.53 lakhs from the Net Proceeds for funding the capital expenditure requirements for the proposed repair and renovation of factory building. An indicative list, along with details of the quotations we have received in this respect is set forth below.

Place of Renovation	Address	Amount (₹ in lakhs)	Supplier	Quotation Date	Validity up to
Unit no. 1	PL09/459, Ground Floor, Samiullah Compound, Wakanpada Road, Pelhar, Vasai East, Palghar, Thane 401208, Maharashtra.	398.78	Pankaj P.Lad Architect and Interior Designer	June 14, 2024	December 13, 2024
Unit no.2	Building No.2 A&B Wing Survey No. 36 Hissa No. 13. Dhumal Nagar Vasai Phata Vasai East, Dist. Palghar 401208, Maharashtra.	338.75	Pankaj P.Lad Architect and Interior Designer	June 14, 2024	December 13, 2024
Total		737.53			

The detailed bifurcation of cost is as follows:

Description of work	Amount (₹ in lakhs)
Unit No. 1	
Civil works	164.97
Plumbing works	14.10
Partition work	33.95
Carpentry works / modular	28.01
False ceiling works	21.15
Painting works	35.80
Electrical works	99.20
Exhaust work	1.60
Total	398.78
Unit No. 2	

Civil work	34.74
Epoxy flooring, trimix structure enhancement	120.00
Plumbing works	4.70
Partition work	24.50
Carpentry works / modular	25.21
False ceiling works	14.65
Painting & polishing works	33.35
Electrical works	80.00
Exhaust work	1.60
Total	338.75

The estimates are provided by the third party which is completely independent from this world company.

The approximate carpet area for renovation and civil work as per the said quotations of Unit No. 1 is 23000 Sq. Ft. and approximate carpet area of Unit No. 2 is 12122 Sq. Ft.

Benefits of Renovation of Factory:

1. To facilitate the installation of the new machinery for higher production capacity;
2. Improve the work flow;
3. To reallocate space for offices and increase the workstations for staff;
4. Create a cleaner and a dust free environment in the production area;
5. Upgrade manufacturing facilities to pitch to more premium and discerning clients; and
6. Better work environment for enhanced productivity by painting the interiors and exteriors.

2. Funding the working capital requirements of our Company

Key assumptions for working capital requirements

Our Company's estimated working capital requirements are based on the following key assumptions:

Sr. No.	Particulars	Assumptions
Current Assets		
1	Trade Receivables	We expect debtors holding days to be around 90 days FY 2025 as compared to 88 days and 90 days in FY 2023 and FY 2024, respectively.
2	Inventories	We except our inventories turnover days to be around 55 days for FY 2025 as compared to 38 days and 37 days in FY 2023 and FY 2024, respectively. With increase in size and scale of operations it is inherent for the company to maintain a higher inventory of raw materials specifically which facilitates the following: - Faster execution of orders without lead time for raw material procurements also procuring larger quantity results in leading to lower transportation cost; - Gives the Company a competitive edge in orders requiring low turnaround time allowing to cash in on more opportunities; - Puts the company in ready position to cash in on opportunities; - Overall better efficiencies in operations as inventory will prevent any bottlenecks in production due to lack or shortage of raw materials, this will also lead to higher capacity utilization; - Gives more flexibility for the company to develop new products.
3	Other Current Assets	The main reason of increase in the requirements of net working capital as a percentage of revenue in the FY 2024 is owing to increase in Other Current Assets from ₹ 156.90 lakhs in FY 2023 to ₹ 337.02 lakhs in FY 2024 of which majorly has been an increase of ₹ 48.20 lakhs towards advances to employees and ₹ 132.13 lakhs towards current capital with LLP i.e. our subsidiary Progulf Warehousing Solutions LLP. The realisable days of Other Current Assets was 10 days in FY 2023 which has increased to 17 days in FY 2024 because of the above and the other reason of increase in the requirements of net working capital as a percentage of revenue in the FY 2024

		is owing to decrease in Other Current Liabilities from ₹ 325.57 lakhs in FY 2023 to ₹ 126.33 lakhs in FY 2024 of which majorly has been employees benefit payable decrease from ₹ 128.63 lakhs in FY 2023 to ₹ 43.12 lakhs in FY 2024 and advance from customers has reduce from ₹ 141.77 lakhs in FY 2023 to ₹ 37.01 lakhs in FY 2024 owing to which there is a decrease in Other Current Liabilities days from 24 days in FY 2023 to 12 days in FY 2024. As we can see above, the increase working capital requirement based on an increase of 21% in year on year revenue was met through mainly operating profits generated from the operations of the company as company enhanced only ₹ 50 lakhs from CC Limits in FY 24 which is inadequate to meet the working capital requirements. We are attaching herewith the extract of the cash flow statement of FY 24 for ready reference. You will observe that ₹ 661.57 lakhs were operating profit before working capital changes and post the working capital changes and payment of tax, the cash generated from operations were ₹ 97.91 lakhs through efficient management of the company.
Current Liabilities		
1	Trade Payables	We expect our creditors payments days be around 88 days FY 2025 as compared to 98 days and 100 days in FY 2023 and FY 2024, respectively. By reducing credit days availed from the creditors, we can ensure better pricing thereby contributing to better margins, prompt deliveries and ensuring overall efficiency in our operations. A detailed analysis while comparing FY 22 to FY 23 shows the following: Increase in Trade payable from 69 days in FY 22 to 98 days in FY 23 which resulted in increase in Trade payables from ₹ 549.86 lakhs to ₹ 1,346.03 lakhs from FY 22 to FY 23 and in percentage of Cost of goods sold it has increased from 18.85% to 26.72% from FY 22 to FY 23 which is the main reason of decrease in the requirement of Net Working Capital from 13.29% to 7.58% from FY 22 to FY 23. The company has traditionally borrowed very little working capital and has depended on its cash flows for it's working capital requirements. Since the company grew in FY23 in comparison to FY22 by 68%, to manage the additional business and ensure customer satisfaction by supplying it's products in time, it had to manage its working capital requirement by taking additional credit from its suppliers, thereby increasing the trade payables. Other components of working capital are compensating with each other i.e. There has been a marginal decrease from FY 22 to FY 23 in the Trade Receivable and Inventory from i.e. 1.31% of revenue and 1.99% of Cost of goods sold respectively but the same is compensated with the decrease in other current liabilities from 10.30% in FY 2022 to 6.46% in FY 23 of Cost of goods sold. You will observe that ₹ 164.13 lakhs were operating profit before working capital changes and post the working capital changes and payment of tax, the cash generated from operations were ₹ 159.15 lakhs through efficient management of the company.

3. Pursuing Inorganic Growth

We are on the lookout for small companies or start-ups working in the customised furniture and fixture or the Infrastructure space for acquisition within India for part or full equity acquisition of such company. We plan to acquire the company or enter a joint venture through infusion of equity. There are numerous start-ups which are working in this space on some innovation or the other. They may be self-funded but with limited resources, bootstrapped and may find it difficult to find an investor. We would like to invest in such companies and look at synergies to build on our sales and distribution network by utilising the technology to enhance our product portfolio.

Also, the company has been a manufacturer and provider to large retail stores in the past and has been dealing with MNCs and large corporate clients in India with no experience of tendering and supplies to Government. With the additional double door product for the metro fit to be used in the metro station requires pre-requisitions and eligibility to supply in this sector and fulfil Government orders. Our company's intent is to identify and acquire one such eligible company which will enable the company to directly supply and participate in tenders for the specific product.

The Company expects following benefits from such transactions:

- i. To build on our sales and distribution network by utilising the technology to enhance our product delivery; and
- ii. To enable our company to enter into new segments such as B2G which will enhance our customer portfolio.

As of now the Company has not defined any acquisition but we are in the process of evaluating and appointing a M&A specialist/company for identifying the target company. We may acquire the company wholly or partially with a minimum 26% stake in the target company.

The Company shall ensure to acquire a target with a 20% leeway over the capital allocated and the shortfall if any shall be arranged through internal accruals with no plan to leverage for the acquisition.

The strategy is to acquire in the same industry or segments supporting existing business model which may support the forward or backward integration for the company. The strategy is to acquire within the Domestic markets only. The Company has had a track record for partnering and identifying new areas for growth through its investment in Progulf Warehousing Solutions LLP in FY 22 to get into the new segment catering to the warehousing sector specifically. The management has considered the target size of around Rs. 3.52 crore for acquisition wholly/partially. Our Company undertake that the net proceeds shall not be utilized for acquisition from the Promoter, members of Promoter Group, affiliates or any other related parties of the Company.

Our Company proposes to utilise the fund towards unidentified acquisition by the next fiscal year 2025-26 in accordance with applicable laws. We undertake to temporarily invest the unutilised funds only with scheduled commercial banks.

Interim Use of Funds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks and shall be made in accordance with the applicable laws. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

SECTION V – ABOUT THE COMPANY AND INDUSTRY

OUR BUSINESS

Table set forth below is bifurcation of our Revenue under our Business Segments:

(₹ in lakhs)

Particulars	Segment wise Revenue Break Up						CAGR
	FY 22	% of Revenue	FY 23	% of Revenue	FY 24	% of Revenue	
Catering to Retail	2,307.85	64.70%	3,642.34	57.93%	5,293.06	63.78%	51%
Catering to POSM Kiosk	804.16	22.54%	1,642.42	26.12%	1,203.71	14.50%	22%
Catering to Infrastructure	179.95	5.04%	330.83	5.26%	162.05	1.95%	-5%
Catering to Institutional & Educational furniture	176.38	4.94%	265.40	4.22%	507.45	6.11%	70%
Catering to other	98.59	2.76%	111.44	1.77%	72.06	0.87%	-15%
Total Revenue for Rexpro (Standalone)	3,566.93	100.00%	5,992.43	95.30%	7,238.34	87.22%	
Catering to Warehouse	-	-	295.56	4.70%	1060.31	12.78%	259%
Total Revenue for Rexpro (Consolidated)	3,566.93	100.00%	6,287.99	100.00%	8,298.66	100.00%	53%

Catering to Others includes the following:

Sr. No.	Particulars
1.	Home Furniture & Fixtures
2.	Office Furniture & Fixtures
3.	Printing
4.	Design
5.	Scrap Sales
6.	Prototyping
7.	Sampling

Revenue Break Up for the past three financial years based on geographical locations are as follows:

(₹ in lakhs)

Sales	FY 22	% of Sales	FY 23	% of Sales	FY 24	% of Sales
Maharashtra	1,829.16	51.28%	2,944.06	46.82%	4,549.06	54.82%
Andhra Pradesh	40.08	1.12%	168.66	2.68%	71.47	0.86%
Arunachal Pradesh	-	-	-	-	3.42	0.04%
Assam	6.21	0.17%	13.12	0.21%	14.83	0.18%
Bihar	0.41	0.01%	39.90	0.63%	19.59	0.24%
Chandigarh	4.93	0.14%	10.45	0.17%	1.57	0.02%
Chhattisgarh	141.96	3.98%	81.33	1.29%	62.57	0.75%
Dadra and Nagar Haveli and Daman and Diu	-	-	41.47	0.66%	5.40	0.07%
Delhi	15.09	0.42%	82.49	1.31%	424.82	5.12%
Export	5.96	0.17%	-	-	-	-
Goa	24.35	0.68%	33.28	0.53%	79.16	0.95%
Gujarat	515.09	14.44%	902.04	14.35%	907.05	10.93%
Haryana	40.93	1.15%	79.30	1.26%	357.89	4.31%
Himachal Pradesh	0.41	0.01%	2.72	0.04%	41.52	0.50%
Jammu and Kashmir	3.56	0.10%	2.92	0.05%	2.99	0.04%
Jharkhand	7.39	0.21%	8.22	0.13%	4.30	0.05%

Karnataka	169.44	4.75%	359.43	5.72%	293.76	3.54%
Kerala	19.18	0.54%	218.02	3.47%	149.10	1.80%
Madhya Pradesh	304.74	8.54%	409.55	6.51%	186.11	2.24%
Manipur	-	-	-	-	4.49	0.05%
Meghalaya	-	-	0.17	0.00%	3.68	0.04%
Nagaland	0.11	0.00%	-	-	-	-
Odisha	4.25	0.12%	23.50	0.37%	23.41	0.28%
Puducherry		0.00%	4.64	0.07%	2.44	0.03%
Punjab	21.35	0.60%	31.64	0.50%	14.91	0.18%
Rajasthan	6.10	0.17%	36.01	0.57%	332.82	4.01%
Sikkim	-	-	2.25	0.04%	-	-
Tamil Nadu	155.59	4.36%	199.95	3.18%	190.72	2.30%
Telangana	64.91	1.82%	232.71	3.70%	207.38	2.50%
Tripura	-	-	-	-	1.62	0.02%
Uttar Pradesh	163.12	4.57%	117.15	1.86%	242.96	2.93%
Uttarakhand	6.46	0.18%	29.18	0.46%	0.58	0.01%
West Bengal	16.17	0.45%	213.84	3.40%	99.06	1.19%
Total	3,566.93	100.00%	6,287.99	100.00%	8,298.66	100.00%

The Contribution to our revenues by our top clients is as follows:

(₹ in lakhs)

Particulars	FY 22	% of Total Sales	FY 23	% of Total Sales	FY 24	% of Total Sales
Top 10	2,558.93	71.74%	4,134.55	65.75%	5,377.94	64.80%
Top 5	1,955.18	54.81%	3,071.62	48.85%	3,849.05	46.38%
Top 3	1,508.32	42.29%	2,429.12	38.63%	2,838.06	34.20%

As seen from the table above, nearly 65% of our revenues is contributed from our top 10 customers, however, the customers are spread amongst numerous geographical locations and stores which further minimizes any concentration risk.

Table set forth below is the procurement break-up based on Geographical Location:

(₹ in lakhs)

Purchases	FY 22	% of Purchase	FY 23	% of Purchase	FY 24	% of Purchase
Maharashtra	1,760.91	81.74%	3,455.19	85.41%	4,557.25	89.36%
Andhra Pradesh	1.87	0.09%	7.93	0.20%	2.16	0.04%
Arunachal Pradesh	-	-	-	-	0.10	0.00%
Assam	-	-	-	-	1.15	0.02%
Bihar	-	-	-	-	0.59	0.01%
Chandigarh	-	-	-	-	0.05	0.00%
Chhattisgarh	9.33	0.43%	-	-	1.89	0.04%
Dadra And Nagar Haveli And Daman and Diu	-	-	0.51	0.01%	18.54	0.36%
Delhi	46.05	2.14%	34.06	0.84%	53.41	1.05%
Goa	1.14	0.05%	-	-	2.40	0.05%
Gujarat	145.19	6.74%	240.79	5.95%	203.58	3.99%
Haryana	36.83	1.71%	41.12	1.02%	80.24	1.57%
Himachal Pradesh	-	-	-	-	1.26	0.02%
Jammu And Kashmir	-	-	-	-	0.09	0.00%
Jharkhand	-	-	-	-	0.23	0.00%
Karnataka	14.09	0.65%	6.13	0.15%	10.63	0.21%
Kerala	-	-	7.00	0.17%	4.52	0.09%

Madhya Pradesh	18.80	0.87%	17.78	0.44%	5.63	0.11%
Manipur	-	-	-	-	0.14	0.00%
Meghalaya	-	-	-	-	0.11	0.00%
Odisha	-	-	-	-	0.88	0.02%
Puducherry	-	-	-	-	0.07	0.00%
Punjab	-	-	3.70	0.09%	6.67	0.13%
Rajasthan	0.75	0.03%	40.07	0.99%	11.22	0.22%
Tamil Nadu	78.21	3.63%	165.29	4.09%	84.51	1.66%
Telangana	5.75	0.27%	7.56	0.19%	6.80	0.13%
Tripura	-	-	-	-	0.05	0.00%
Uttar Pradesh	35.18	1.63%	7.97	0.20%	20.38	0.40%
Uttarakhand	0.07	0.00%	-	-	0.02	0.00%
West Bengal	-	-	10.49	0.26%	25.48	0.50%
Total	2,154.15	100.00%	4,045.60	100.00%	5,100.04	100.00%

The entire purchases of raw materials are sourced domestically and company does not import any raw materials during the past three financial years.

The break-up of our procurement from our top suppliers are as follows:

(₹ in lakhs)

Particulars	FY 22	Percentage of Total Purchase	FY 23	Percentage of Total Purchase	FY 24	Percentage of Total Purchase
Top 10	947.02	43.96%	1,643.23	40.62%	2,374.54	46.56%
Top 5	695.80	32.30%	1115.16	27.56%	1791.59	35.13%
Top 3	524.84	24.36%	822.54	20.33%	1376.88	27.00%

Table set forth below is the procurement break-up from our top 10 suppliers:

(₹ in lakhs)

Sr. No.	Suppliers' Name	Amount	Percentage of Total Purchase
FY 2022			
1	Supplier I	321.33	14.92%
2	Supplier II	105.79	4.91%
3	Supplier III	97.73	4.54%
4	Supplier IV	93.04	4.32%
5	Supplier V	77.91	3.62%
6	Supplier VI	57.80	2.68%
7	Supplier VII	55.95	2.60%
8	Supplier VIII	49.65	2.30%
9	Supplier IX	46.89	2.18%
10	Supplier X	40.93	1.90%
Total		947.02	43.96%
Total Purchase		2,154.15	
FY 2023			
1	Supplier I	344.57	8.52%
2	Supplier II	266.03	6.58%
3	Supplier III	211.94	5.24%
4	Supplier IV	148.39	3.67%
5	Supplier V	144.23	3.56%
6	Supplier VI	119.83	2.96%

7	Supplier VII	112.09	2.77%
8	Supplier VIII	108.63	2.69%
9	Supplier IX	97.11	2.40%
10	Supplier X	90.40	2.23%
Total		1,643.23	40.62%
Total Purchase		4,045.60	
FY 2024			
1	Supplier I	534.14	10.47%
2	Supplier II	472.44	9.26%
3	Supplier III	370.30	7.26%
4	Supplier IV	214.69	4.21%
5	Supplier V	200.02	3.92%
6	Supplier VI	163.65	3.21%
7	Supplier VII	119.43	2.34%
8	Supplier VIII	106.67	2.09%
9	Supplier IX	98.23	1.93%
10	Supplier X	94.97	1.86%
Total		2,374.55	46.56%
Total Purchase		5,100.04	

1. Retail Furniture & Fixtures



Floor Display Racks, Wall racks and visual units for **Marks & Spencer - Linking road Flagship Store**



Floor Display Racks, Wall racks and Cash Counter for **Marks & Spencer – Linking road Flagship Store**



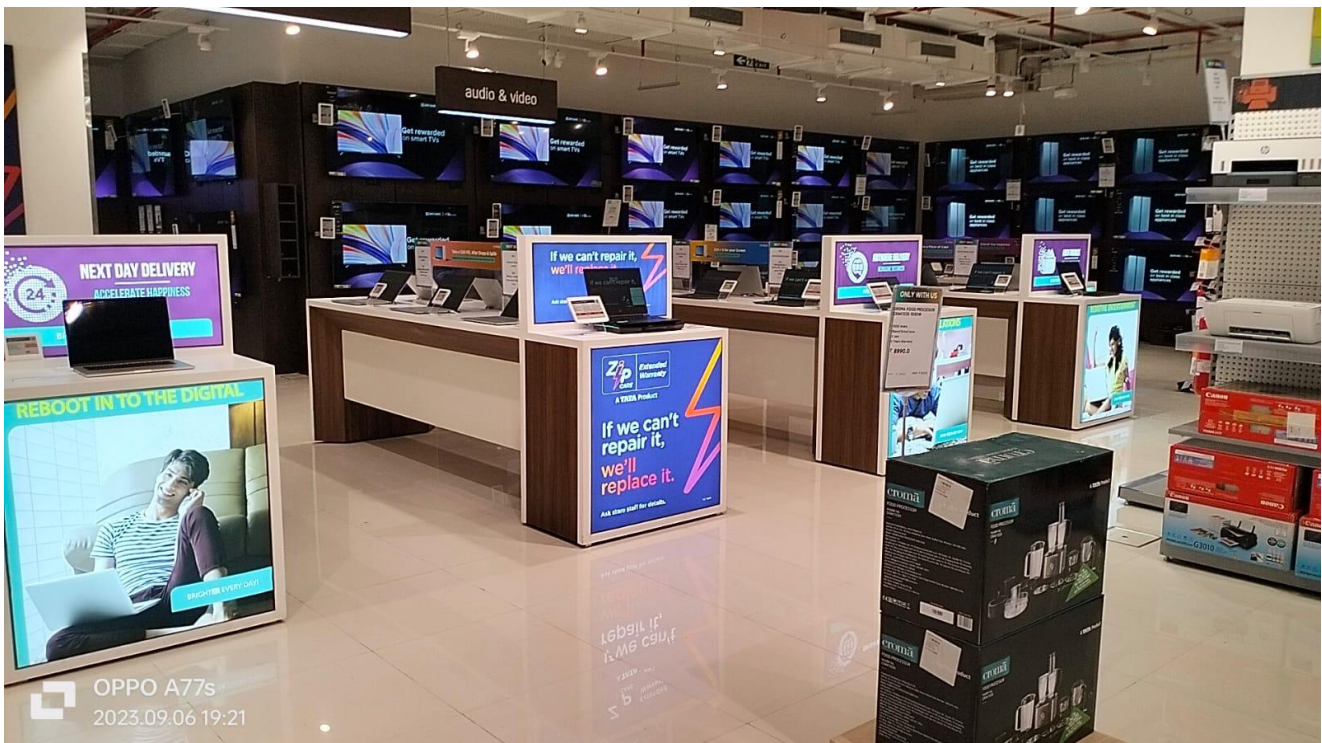
Floor Display Racks, Wall racks and Visual frames for **Lenskart, Vasai**



Wall racks and Cash Counter for **Lenskart, Vasai**



Wall Racks, Floor Gondolas, Make up station, Ceiling panels and Cash Counter for **Nykaa** Retail Store, Gandhinagar



Floor display units for laptop and mobiles, Wall Tv Units for **Croma**



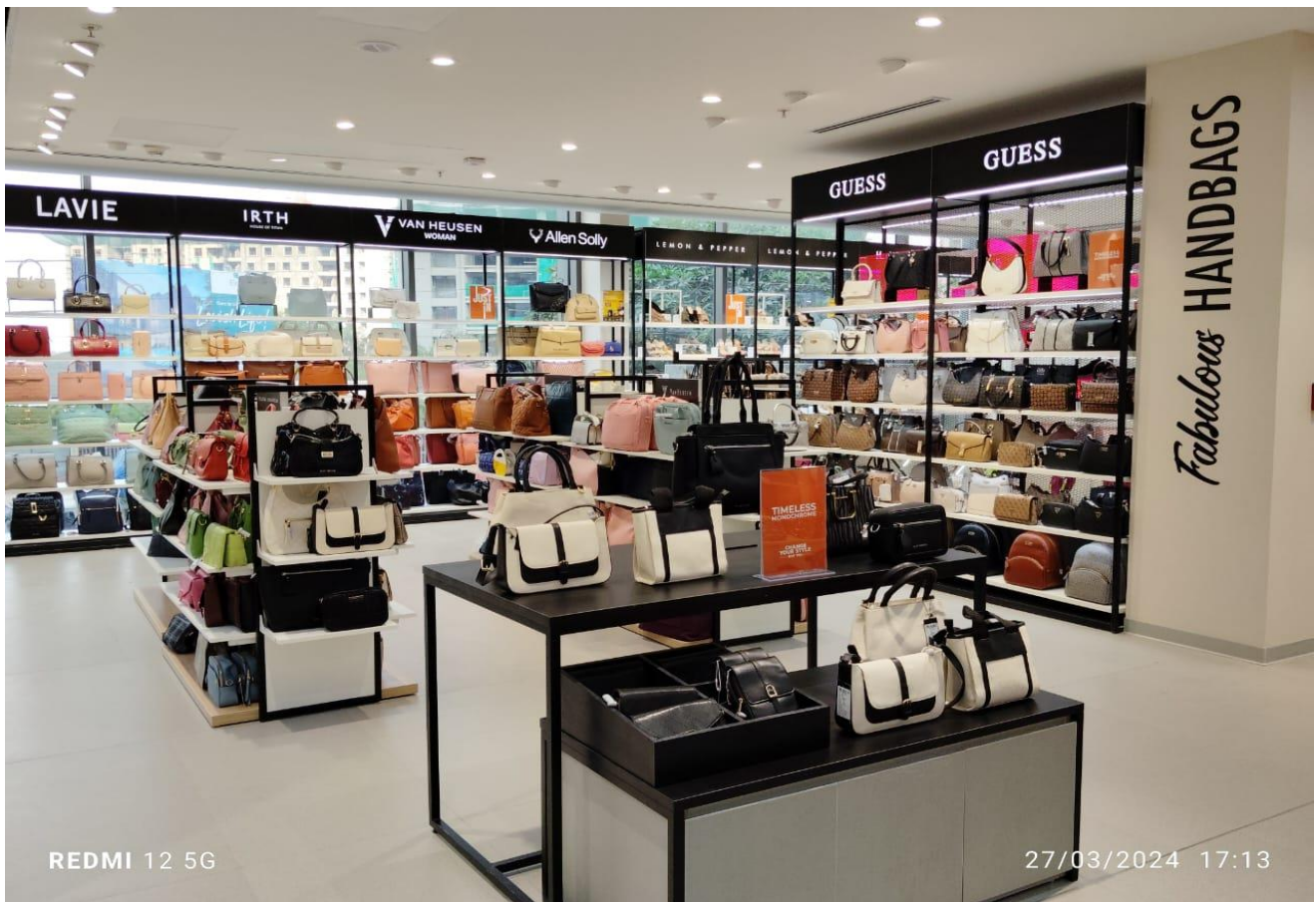
Floor Units for mobiles, Wall racks, Cash desk for **Samsung Store**



Wall racks, Floor Gondola and Stands for **Toys R Us** Flagship Store at Linking Road, Bandra



Wall racks, Floor racks, Browers and Cash counter for **Toys R Us** at Linking Road, Bandra



Wall Units, Floor Gondola units, Nesting Tables and for **Shopper Stop**



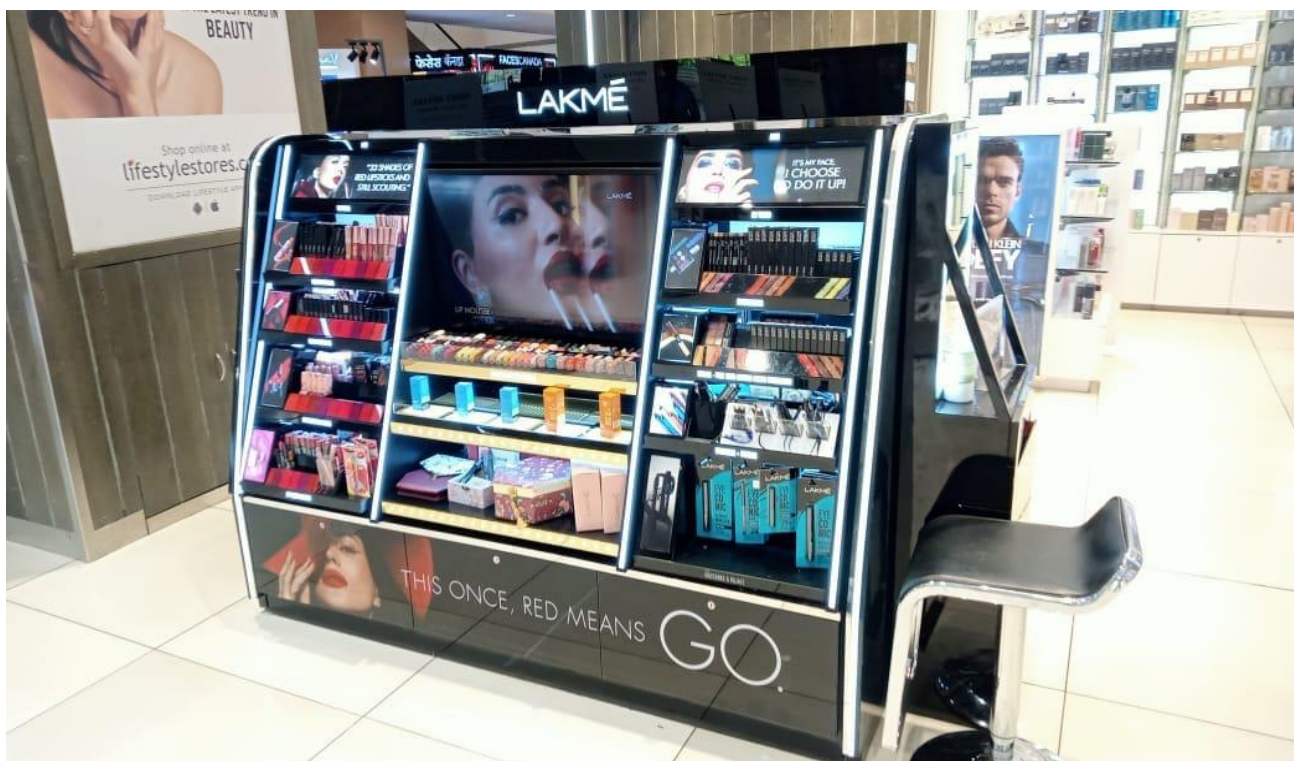
Wall Unit, Floor gondola units and nesting tables for **Shopper Stop**



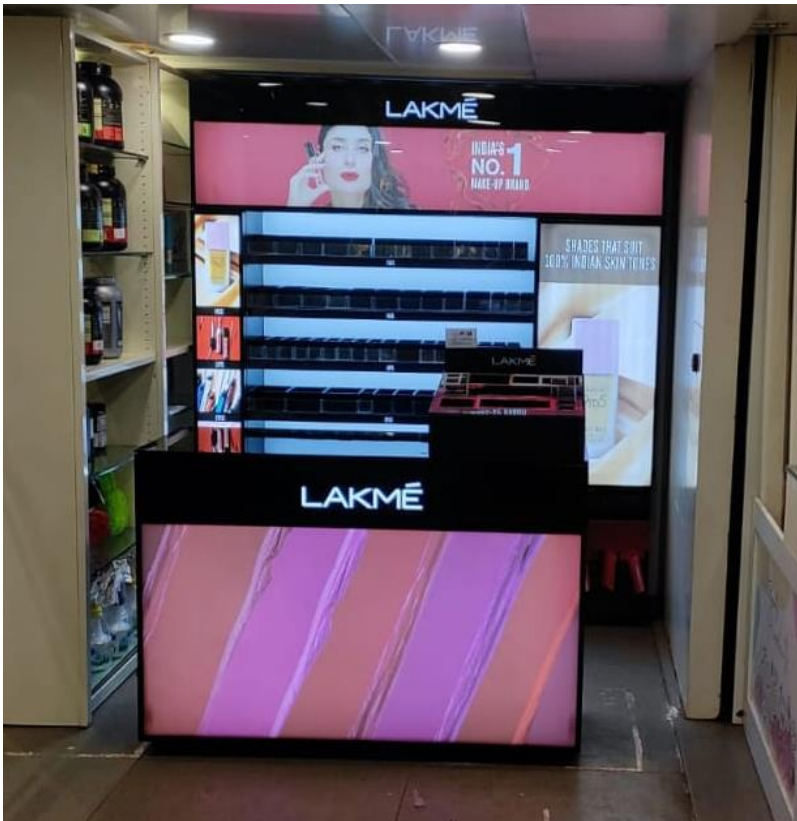
Barrel Floor units, Backlit Wall racks, floor gondola other furniture display units for **Food Square**, Santa cruz – Mumbai



Floor display units, Chocolate wall unit, for **Food Stories**, Delhi



Lakme Counter at Lifestyle Malad, Mumbai



Lakme Counter at National Medical Ratnagiri

2. Kiosks



Kiosk for Isharya at Airport T2 Terminal, Mumbai



Kiosk for **Lakmé** at Airport T2 Terminal, Mumbai



Kiosk for **Faces Canada** at Amanora Mall, Pune

3. POSM

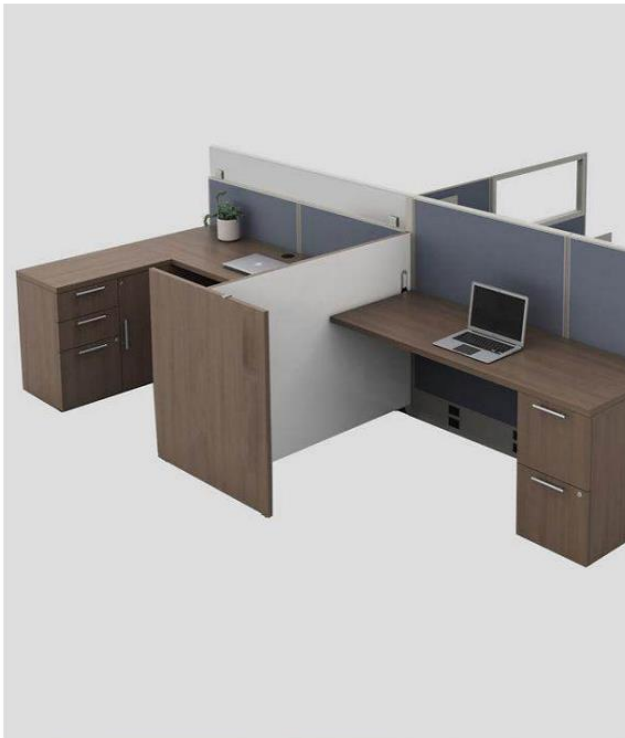


Pond's and Dove Endcaps & FSU at Smart Bazaar, PAN India



FSU for Closeup at Reliance Smart

4. Commercial and Institutional Products



5. Industrial Products



6. Infrastructure Products



Noise Barriers manufactured and installed at Borivali



Noise Barriers manufactured and installed at Highway



Platform Screen Doors

7. Warehousing Products



Heavy Duty Push Back Rack System



Heavy Duty Pallet Rack



Light Duty Shelving for Garage



Firm Medium Duty Shelving Rack System

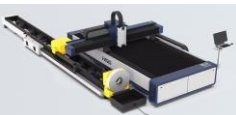
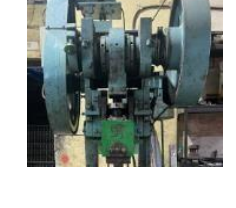
10. Packing and Dispatch

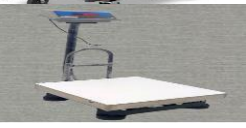
Shipping pan India requires optimal packaging to ensure safe and secure material movement. We use conventional corrugated packaging and foam and corner protection. Fragile material is always sent in wooden crates.

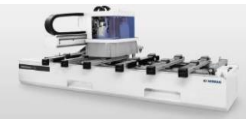
Courier movement is undertaken for smaller units whereas full stores or shop in shops we send dedicated vehicles. Our large customers require a consolidated billing for the logistics payments incurred towards their projects. The logistic is carried out in two methods: a. Full truck load and b. Courier Services.

We use outside agencies for both courier movement as well as full truck movements to meet the logistic requirements of our customers. Through Accurate Logistics, a HUF firm controlled and owned by one of our KMP. We consolidate all full truck load and bill to our customers. A margin of 7%-8% is kept over and above the actual cost paid to third party logistic provider in the related party to meet the staff cost and administrative cost at the related party and also part of his compensation.

List of Machinery

SN	Machine Name	Original Manufacturer	Capacity	Photo	Nature of Purchase	Owned/Leased
1	Cnc Fiber Laser Cutting Machine - Model HS-G3015A, With Pallet Changer & Full Close Body Fully Automatic with Dust / Exhaust System	HSG	Cutting Capacity : Mild Steel : Up to 16 mm Thickness Stainless Steel : Up to 8 mm Thickness Aluminium : Up to 4 mm Thickness Copper & Brass : Up to 2 mm Thickness		2nd Hand	Owned
2	Cnc Laser Cutting Machine - Model HS-G3015B Fix Bed with Rotary 360 Degree Pipe Cutting Attachment	HSG	Cutting Capacity : Mild Steel : Up to 16 mm Thickness Stainless Steel : Up to 8 mm Thickness Aluminium : Up to 4 mm Thickness Copper & Brass : Up to 2 mm Thickness Pipe Cutting : Rotary 360 Degree with Maximum Capacity of 200 mm Dia Pipe		2nd Hand	Owned
3	Cnc Tube Fiber Laser Cutting Machine - Model TM-65	HSG	Cutting Capacity : Tube Size : From 9mm Dia Up to 116 mm Thickness 5mm Tube Size : 6000mm		1st Hand	Owned
4	CNC Press Brake AMADA RG M2 1003 With 3200 mm Bed Size and 100 Ton Capacity All Kind of Tools for Single & Double Bend as Well Flatting tool (Hamming Operation)	Amada Japan	MS Sheet Air Bending Up to 10 mm Capacity SS Sheet Air Bending Up to 6 mm Capacity		2nd Hand	Owned
5	CNC Press Brake AMADA RG M2 1003 With 3200 mm Bed Size and 100 Ton Capacity All Kind of Tools for Single & Double Bend as Well Flatting tool (Hamming Operation)	Amada Japan	MS Sheet Air Bending Up to 10 mm Capacity SS Sheet Air Bending Up to 6 mm Capacity		2nd Hand	Owned
6	CNC Press Brake GHBM 3512NT With 1200 mm Bed Size and 35 Ton Capacity All Kind of Tools for Single & Double Bend as Well Flatting tool (Hamming Operation)	GHBM CHINA	MS Sheet Air Bending Up to 5 mm Capacity SS Sheet Air Bending Up to 3 mm Capacity		1st Hand	Owned
7	CNC Press Brake GHBM 1032NT With 3200 mm Bed Size and 120 Ton Capacity - Down Stroke Machine - 300mm Daylight All Kind of Tools for Single & Double Bend as Well Flatting tool (Hamming Operation)	GHBM CHINA	MS Sheet Air Bending Up to 10 mm Capacity SS Sheet Air Bending Up to 5 mm Capacity		1st Hand	Owned
8	Power Press 15 Ton - C Type	Rajkot	4 Machine		1st Hand	Owned
9	Power Press 35 Ton - C Type	Shailesh / Prashant	1 Machine		2nd Hand	Owned

10	Power Press 65 Ton - C Type	Shailesh / Prashant	1 Machine		2nd Hand	Owned
11	Power Press 100 Ton C Type With Large Bed Size i.e. 600 x 800 mm	Atlas Make	1 Machine		2nd Hand	Owned
12	Shearing Machine	Godson Make	1 Machine		2nd Hand	Owned
13	Pillar Drill Machine Prashant - 25 M M Cap	Prashant Make	Total - 04 Machine		2nd Hand	Owned
14	JE350 Semi Automatic Pipe Cutting Machine with Hydraulic Machine 125 mm Dia Pipe Size Max.	Jet make	2 Machine with Both Side Table & Measuring Gauge.		1st Hand	Owned
15	SPEED TAPPING ATTACHMENT M3 to M8 Capacity	Tap Matic	2 Unit		2nd Hand	Owned
16	Stud Welding Machine 2 Nos. With 3 to 8 mm Dia Capacity.	Conweld	Projection Welding - 02 Nos.		2nd Hand	Owned
17	TIG WELDING MAHCINE 300 Amps -	Lincon - USA	Total - 10 Machines		2nd Hand	Owned
18	Laser Welding	Laser Technologies	1 No's		2nd hand	Owned
19	MIG Welding Machine 250 Amps & 400 Amps -	Lincon - USA / Warp Mumbai	Total - 40 Machine.		12 New Rest Old	Owned
20	Auto Weighing Scale	Presitech	2 No's		1st hand	Owned
21	Tube Bending Machine from Dia 10 to 50 mm with 1.5 thickness	Shamam Engg	1 No's		1st Hand	Owned
22	Grinding Machine - 25 No's	Bosch	30 No's		1st Hand	Owned

23	Sanding Machine - 12 No's	Bosch	12 No's		1st Hand	Owned
24	SS Buffing Machine -8 No's	Bosch	12 No's		2nd hand	Owned
25	Spot Welding Machine 15KVA - 2 No's 20 Kva - 2 No's	Starline	4 No's		2nd Hand	Owned
26	Orbital Sander	Bosch	50 No's		1st Hand	Owned
27	Semi Automatic Powder Coating Line with Batch Type Oven. 11 Tank Pre-treatment Plant with Transporter & Hot Air Drying, Complete Setup of Semi Conveyorized 2 Nos. Powder Coating Booth. 2 Nos Batch Type Oven with Maximum Size of 12 Feet x 8 Feet x 6.5 Feet Trolley Size Mitshuba Make Spray Gun - 4 Nos. Laboratories for All Kind of Powder Coating Testing Facilities i.e.	Plant from : Global Energy System - Mumbai Spray Gun of Mitshuba System	2 Semi Conveyourised Powder Coating Booth2 Batch Type Oven We have capacity to Produce Powder Coating Area Approximate 5000 Sq. Feet / Shift All Kind of Colour from Plain, Satin, Matt, Texture,		2nd Hand	Owned
28	EFFLUENT TREATMENT PLANT SET UP /AUTO RO PLANT SET	VS Enviro Pune	Complete Set up.		2nd Hand	Owned
29	Reverse Osmosis Plant for Pre-treatment	VS Enviro Pune	500 Litter / Hour Capacity 1 Complete Setup		2nd Hand	Owned
30	D G Set - 250 Amps. 2 No's	Powerica Make	250 Amps		2nd Hand	Owned
31	D G Set - 100 Amps 2 No's	Kirloskar Make	100 Amps		2nd Hand	Owned
32	Compressor 40 HP x 2 Nos. Screw Compressor with Dryer, Chiller, Storage Vessels & Complete Pneumatic Line. 188 CFM @ 8 Bar Air Pressure Air Cooled Focus Control with Variable Speed Drive. (VFD)	Boge German, CPPneumatic	4 Machine 2 Chiller 2 Dryer 2 Receiver		Boge 2nd Hand CP 1st Hand	Owned
33	4 Axis CNC Router for Wood Control Processing Centre - 2 Nos (P100NMC112C)	Homag Germany	For Processing All Kind of MDF, Plywood & Solid Wood		1st Hand	Owned
34	Flat Bed 2 Axis CNC Router Machine for Wood Processing - 2 No's	Mehta Cad Cam	Flat Bed CNC Router Machine		2nd Hand	Owned

35	CNC Router Machine - 1 No's (J-1235VT Plus)	Jai Make	Hand Operated Router Machine		1st Hand	Owned
36	Automatic Edge Banding Machine - 1 No's (NKR220FC)	Homag Germany	TO Protect edges of MDF, Particle Board etc for Shelf & Outer Body of Unit		2nd Hand	Owned
37	Automatic Edge Banding Machine - 1 No's (Optimus - 6.5P) High Speed Auto Edge Bander	Jai Make	TO Protect edges of MDF, Particle Board etc for Shelf & Outer Body of Unit		1st Hand	Owned
38	Curvilinear Edge Band	Jai Make	TO Protect edges of MDF, Particle Board etc for Shelf & Outer Body of Unit		1st Hand	Owned
39	Beam Saw - FORMATT-4	Felder	TO Protect edges of MDF, Particle Board etc for Shelf & Outer Body of Unit		2nd Hand	Owned
40	SCM SLIDING TABLE PANEL SAW SI 400 NOVA - 2 No's	SCM Make	For Cutting of Artificial & Solid Wood		2nd Hand	Owned
41	SCM SLIDING TABLE PANEL SAW SI 400 NOVA - 2 No's	SCM Make	For Cutting of Artificial & Solid Wood		2nd Hand	Owned
42	SCM COMBINED SURFACE THICKNESSER MACHINE - 1 No's	SCM Make	Use for Solid Wood		2nd Hand	Owned
43	Multi Boring Optidril 2.3	Jai Make	Multi Boring		1st Hand	Owned
44	HOT Bed Press - ORMA	ORMA	For Processing All Kind of MDF, Plywood, HDF, Particle board		2nd Hand	Owned
45	Mimaki - Digital Printer JV300.160 Plus	Mimaki	Printer		1st Hand	Owned
46	Roland Rs-640-A ECO Solvent	Roland Make	Print on Vinyl / Fles with Eco Solvent Printer		2nd Hand	Owned
47	Cold Lamination		For Lamination on All Kind of Vinyl Translite & Others Paper Product		2nd Hand	Owned

48	Diamond Polish Machine	Diamond CHINA Make	Polishing		2nd Hand	Owned
49	Plotter GCC	Jaguar	Plotter		2nd Hand	Owned
50	Lazer Engraver Machine 1490-160watt(both parmar machine)		For Cutting of All Kind of Acrylic, Poly Carbonate, HIPS, ABS etc.		2ND Hand	Owned
51	Paint booth of with all supporting 2 No's		Along with Positive Air Pressure System		2nd Hand	Owned
52	Power Drill Machine	Bosch	100 No's		2nd Hand	Owned
53	Hand Router	Bosch	20 No's		2nd hand	Owned
54	Battery Drill machine	Bosch	100 No's		1st Hand	Owned
55	Hand Cutting Machine	Bosch	10 No's		2nd Hand	Owned
56	Hand Router machine Big	Bosch	4 No's		2nd Hand	Owned
57	Company has Associate Partner for All Kind of Thermoforming Product.	Thermoforming Setup with Inhouse Mould Facilities.	Mainly We use to make product for Cosmetics Stand & Trolley, Small Product Display, Table Top Stand, Branding with Storage etc.			Owned

There is no conflict of interest as all the plant and machineries are owned by the company.

Versatile and Multiple Manufacturing facilities

We have three manufacturing plants in Vasai, Maharashtra to cater to the retailing, industrial and infrastructure sectors.

Plant:

Our manufacturing plant is located at;

Sr. No	Licensor	Date of Registration	Commencement Date	Rent per month (Rs. in Lakhs)	Related Party Transactions
Leave and License Agreement Executed by our company as licensee					
1	REXPROVAC ENTERPRISES PVT LTD	26-06-2024	01-04-2024	7.00	Yes

Sr. No	Licensor	Date of Registration	Commencement Date	Rent per month (Rs. in Lakhs)	Related Party Transactions
2	Mr. Khan Mudassir Samiullah, Mr. Khan Abdul Rehman Samiullah, Mr. Khan Samiullah Rojan, Mrs. Khan Israbonnisha Abdulrehman, Mrs. Khan Mahjabeen Mudassir, Mrs. Khan Amirjahan Abdul Hafeez	10-05-2024	01-04-2024	1.68	No
3	Mr. Khan Mudassir Samiullah, Mr. Khan Abdul Rehman Samiullah, Mr. Khan Samiullah Rojan	10-05-2024	01-03-2024	0.70	No
4	Mrs. Akila Banoo Mehmood Mitani, Mrs. Qamrunnisa Mustaque Mithani, Mrs. Zainab Afzal Mithani	Not Registered	01-07-2023	2.00	No
5	Mr. Suresh Harilal Panchal	08-09-2023	01-08-2023	0.63	No
6	Mr. Kishor Dayalji Bhanushali HUF	06-12-2024	01-11-2024	0.50	No
7	Mr. Dodia Mitesh Narottambhai, Mrs Dodia Payal Mitesh	08-03-2023	01-03-2023	1.12	No
8	Mr. Mehta Pooja Hiren	08-03-2023	01-03-2023	0.25	No
9	Technocrats Security Sysytems Pvt Ltd	Not Registered	01-04-2024	0.66	No
10	Mr. Dubaria Velji Jeram	13-07-2023	01-07-2023	1.65	No
Leave and License Agreement Executed by Our Subsidiary as licensee					
11	Yasin Valibhai Chotalia	21-06-2023	01-06-2023	2.85	No
12	Premal Shah & Ragesh Bhatia	Not Registered	01-04-2024	0.15	Yes

Marketing

For New Clients:

When we identify potential opportunities through media or industry sources about new brand launches in the offline retail space, we target key contacts within the project or procurement departments. After identifying these key individuals, we share our company profile and invite them for a factory visit. During this visit, clients can observe our in-house processes necessary for a retail launch. Typically, after the visit, clients send an RFQ (Request for Quotation) for their new projects, which includes drawings and design intentions for their fixtures and furniture.

We evaluate clients based on three key parameters: the size of their annual business, the nature of the project, and their future growth potential. Once evaluated, we prepare a cost sheet, and the director, along with the client servicing team, finalizes the offer. Negotiations may take place through direct communication or, in some cases, through online auctions. After a deal is secured, we maintain regular contact with the client to ensure we are considered for future inquiries.

For Regular Clients:

Our directors and client servicing teams stay in continuous contact with clients via meetings, calls, and WhatsApp groups. The status of ongoing projects is monitored daily or weekly, with office visits for reviews when necessary. We are frequently assigned new projects, as we have pre-approved fixed rates for several items and adhere to set quality standards. For new designs or additional fixtures, we create prototypes, which are then approved either during a visit to our factory or by presenting them to senior management at the client's office. Upon approval, rates are negotiated with procurement.

For POSM Clients (Beauty and FMCG):

For beauty and FMCG clients requiring Point of Sale Materials (POSM), brand managers and merchandising executives typically reach out to us with briefs. Our design team collaborates closely with their brand teams to create detailed 3D mock-ups of displays. This process is followed by ongoing interaction through the prototype stage, commercial negotiations, and deployment. We aim to establish strong relationships with clients engaged in ongoing retail rollouts, and our directors maintain regular communication with the brand teams.

Direct Inquiries:

Occasionally, we receive inquiries directly from new clients. These clients either recognize us as industry leaders or are referred to us by existing clients. In some cases, the person reaching out has worked with us previously and is now with a new company, leading them to contact us for their current needs.

Installed Capacity and Capacity Utilisation

Particulars	Products	Capacity	FY 2023-24	FY 2022-23	FY 2021-22
Metal Unit	Sheet metal and tube processing for Retail, Infrastructure, Kiosk – Ret	Aggregate Installed Capacity (Tonnes)	2,200	2,000	1,500
		Capacity Utilization (Tonnes)	1,500	1,160	600
		Capacity Utilization (%)	68%	58%	40%
Wood Unit	MDF, Ply panels for Retail, Institutional	Aggregate Installed Capacity (Sq. Ft.)	13,50,000	10,00,000	80,000
		Capacity Utilization (Sq. Ft.)	9,00,000	6,00,000	36,000
		Capacity Utilization (%)	67%	60%	45%
Warehousing Unit	Roll forming for warehousing	Aggregate Installed Capacity (Tonnes)	3,000	-	-
		Capacity Utilization (Tonnes)	900	-	-
		Capacity Utilization (%)	30%	-	-

Insurance

We hold insurance coverage for different aspects such as furniture and fixtures and plant & machinery, stock, finished inventory as needed. We have all essential insurance policies in place, aligned with industry norms. Regular reviews are conducted to ensure the adequacy of coverage. While we strive to minimize liability for damages, it's important to note that our insurance may not always provide full protection or be enforceable in every situation, potentially leaving us partially liable for damages. The policies are as under:

Sr. No.	Insurance	Type of Policy	Sum Insured (Rs. in Lakhs)	Validity
1	The Oriental Insurance Company Limited	Oriental Bharat Laghu Udyam Suraksha Policy	1,606.50	October 28, 2025

IT Systems for Warehouse management

The company uses Tally Prime to maintain their warehouse management. This comes with multi user package and inventory management built in to facilitate the smooth accounts/ book keeping for the company.

OUR MANAGEMENT

Brief Profile of Directors:

Premal Niranjan Shah

Premal Niranjan Shah holds an MBA from Welingkar Institute, Mumbai University, which he earned in 1998. He has an experience of over 20 years in handling various departments of business and over 12 years in manufacturing. He began his career in advertising in 1999 with Lintas as an account executive, where he worked on high-profile brands like Lifebuoy. In 2002, Premal co-founded Rex Enterprises with Ragesh Bhatia, focusing primarily on day to day operations. The company initially specialized in producing printed promotional materials and brand displays for large corporations.

In 2012, Premal and Ragesh D. Bhatia co-founded Rexpro Enterprises Private Limited, marking a significant step toward in-house manufacturing. Under Premal's leadership, the company diversified into retail store fit-outs and explored new industries, such as commercial furniture and engineering solutions, including noise barriers and platform doors for metro systems. Premal's deep interest in finance has led him to strategically manage the company's financial operations, ensuring disciplined fund management and fostering sustainable growth.

Ragesh Deepak Bhatia

Ragesh Deepak Bhatia is a seasoned marketing professional with a distinguished career spanning over 25 years in the field of marketing and strategies. He earned his MBA in Marketing from the Welingkar Institute of Management Development and Research, Bhatia began his career as a Senior Marketing Executive at Classic Stripes Pvt Ltd, where he honed his skills in marketing strategies and client management. He then joined Ogilvy & Mather, a renowned advertising agency, as a consultant in April 1999, gaining valuable experience in digital printing and advertising.

In 2002, Bhatia co-founded Rex Enterprises with Premal Shah, taking on the responsibility of marketing, distribution, and design of Point of Sale Materials (POSM), brand displays, and other branding solutions for corporate clients. Building on this venture's success, he co-founded Rexpro Enterprises Private Limited in 2012. At Rexpro, he focuses on design innovation and manages key accounts in the FMCG, beauty, and lifestyle sectors, ensuring tailored branding solutions for these industries (Rexpro).

Throughout his career, Bhatia has demonstrated a consistent commitment to leveraging his expertise in marketing and design to provide customized solutions that enhance brand visibility and consumer engagement.

Ravishankar Sriramamurthi Malla

Ravishankar Sriramamurthi Malla holds an MBA in Marketing from Mumbai University and brings over 10 years of experience in corporate roles, excelling in various domains such as marketing, retail rollouts, customer marketing, and procurement. His professional journey includes significant tenures at esteemed companies like Hindustan Unilever in 2007, and L'Oréal in 2014, where he honed his skills and contributed to impactful projects.

In 2021, he was promoted to Director at Rexpro Enterprises, where he now manages key accounts and specializes in overseeing manufacturing of furniture and fixtures for ultra-large format stores. His leadership has been pivotal in driving strategic initiatives, and he has played an essential role in identifying innovative methods to enhance production efficiency and improve finishing quality. Ravishankar's expertise and forward-thinking approach continue to be significant assets to the company's growth and operational success.

Minesh Anilbhai Chovatia

Minesh Anilbhai Chovatia holds a Bachelor of Science degree in Mathematics from Mumbai University, which laid the foundation for his analytical skills and problem-solving abilities. Having total experience of around 12 years in the field of Inventory management, production and purchase. He began his professional journey in the year 2012, In the Information Technology (IT) sector at Mahveer Computers where he managed the sales and distribution of computer components. This role provided him with crucial insights into inventory management and customer relations, shaping his future career trajectory.

In 2015 to June 2018 Minesh took a significant step in his career by becoming a partner in Mahaveer metal coasts. This

experience was pivotal, as it allowed him to transition into the metal powder coating industry, where he gained invaluable knowledge about production processes and quality control. His diverse background has equipped him with a unique blend of analytical skills and industry-specific expertise, making him adept at navigating complex operational challenges. In July 2018, he moved to his wife's business of metal powder coating, wherein he handles production and operations.

In 2020, Minesh joined our company as a Director, bringing his extensive experience and fresh perspective to the organization. In his current role, he is responsible for overseeing procurement, inventory control and vendor management. His primary focus is on optimizing the purchase and supply chain processes, ensuring that the company maintains strong relationships with its vendors while achieving cost efficiencies and upholding high-quality standards.

Arshita Singh

Arshita Singh is a Non-Executive Independent Director of our company. She holds a Bachelor of Business Administration and LL.B. (B.B.A. LL.B.) from Symbiosis Law School, Pune, which she completed in 2019. Furthering her academic credentials, she pursued an LL.M in Business Law from NLU Jabalpur, M.P., graduating in 2022. As a practicing advocate, she is having an experience of Around 5 years in advocacy and legal field, Arshita specializes in handling civil and corporate litigations before various tribunals and courts in Mumbai. She provides comprehensive legal advisory services, drawing on her extensive knowledge of the law and her practical experience in the field. Arshita has been enrolled in the Bar Council of Maharashtra and Goa since 2019 and holds a Certificate of Practice issued by the Bar Council of India.

Her legal practice encompasses a broad range of areas, including criminal, civil, and corporate matters. Additionally, Arshita actively participates in significant corporate assignments, particularly focusing on initial public offering (IPO) planning and execution. Her expertise and commitment to her profession make her a valuable asset to our company, as she brings a nuanced understanding of legal and corporate frameworks to her role as a director.

Paras Tushar Shah

Paras Tushar Shah is a Non-Executive Independent Director of our Company. A qualified Chartered Accountant since 2013, Practicing chartered accountant by profession. He has 11 years of professional expertise in taxation strategy, compliance, financial management, and corporate governance His experience includes developing and implementing tax strategies that optimize financial outcomes while ensuring compliance with regulatory frameworks. Paras has worked with reputed audit firms in Pune and has expertise in international taxation, tax risk management, financial analysis, budgeting, and forecasting.

His insights into capital structure optimization and cash flow management have delivered sustainable growth and profitability. Paras is well-versed in corporate governance practices, including board oversight, risk management, and transparency. He has served on audit and compensation committees, contributing to effective decision-making and stakeholder value creation.

Dilip Kumar Swarnkar

Dilip Kumar Swarnkar is a Non-Executive Independent Director of our company. He is a qualified Company Secretary and an Associate member of the Institute of Company Secretaries of India since 2016. Dilip holds a Bachelor's degree in Commerce from Devi Ahilya University, Indore, completed in 2014. With over 8 years of corporate experience in the field of corporate secretarial and compliances Company, including approximately 4 years at BSE Ltd., he has developed a strong foundation in corporate compliance.

During his articleship with Ashish Karodia & Co., Dilip gained significant exposure to compliance requirements for both listed and unlisted companies. Since 2022, he has been practicing as a Company Secretary, holding a Certificate of Practice. In his current role, he specializes in catering to the compliance needs of both listed and unlisted companies, ensuring adherence to regulatory frameworks.

Jyoti Prajapati

Jyoti Prajapati serves as a Non-Executive Independent Director of our company. She is a highly qualified professional who earned her Company Secretary certification in 2011. In addition to this, she holds a law degree and a Master's degree in Commerce, which further solidifies her expertise and experience of 13 years in the corporate secretarial and legal domains.

Since obtaining her Company Secretary certification, Jyoti has maintained a Certificate of Practice from the Institute of Company Secretaries of India (ICSI), underscoring her commitment to upholding the highest standards of professional

conduct. She undertakes assignments for private limited companies, Limited Liability Partnerships (LLPs), and various public companies. Her work often includes drafting essential legal documents such as agreements and letters, ensuring that all compliance requirements are met efficiently and effectively.

In addition to her directorial role, Jyoti is actively involved in the ICSI community and currently serves as the treasurer of the Navi Mumbai chapter of ICSI. In this position, she contributes to the development and organization of professional activities and initiatives that promote the interests of Company Secretaries and the broader corporate sector. Her multifaceted experience and dedication to her profession make her an invaluable asset to our company

Key Managerial Personnel

The details of the Key Managerial Personnel of our Company are as follows:

1. Shankar Laxman Chalke (CFO)

Shankar Laxman Chalke is the Chief Financial Officer (CFO) of the Company and holds a Bachelor's degree in Commerce. He is having experience of around 19 years in the field of Accountancy and finance. He began his career as an Accounts and Audit Assistant in a Chartered accountant firm, working from April 15, 2005, to October 31, 2011. During this period, he gained extensive experience in assignments related to internal audits, concurrent audits, statutory audits, and accounting for various proprietorships, firms, and private limited companies. After that he joined Rex Enterprises, wherein he handled Accounts and Finance for the period starting from November 2011 to March 2012.

In March 2012, Mr. Chalke joined our company as an Accountant Manager. In this role, he successfully managed a team of accountants, overseeing crucial financial functions such as vendor management, payments, bank correspondence, and the overall responsibilities related to accounting. His leadership and financial expertise have been integral to streamlining the company's financial operations.

2. Khushboo Nilesh Rawat (CS)

Khushboo Rawat is a seasoned Company Secretary with extensive experience more than 8 years of Secretarial work across diverse sectors such as infrastructure, renewable energy, and practicing company secretary. She has successfully collaborated with top management, ensuring compliance with corporate governance and regulatory frameworks. Her professional journey includes key roles at Brookfield Group from March 2020 to September 2020, where she managed corporate governance for a multinational entity with operations in over 30 countries. At Essel Infraprojects Limited, January 2019 to October 2019 she played a pivotal role in ensuring compliance and legal oversight for one of India's largest infrastructure players, handling complex projects with a national footprint.

In her tenure with PN Clean Energy Limited, March 2016 to October 2017, she got the exposure in Electricity, gas, steam and hot water supply. Khushboo further honed her expertise in handling corporate compliance for a constituent of major financial indices.

With her rich and varied experience, Khushboo Rawat ensuring adherence to compliance and governance, making her an invaluable asset to our Company

SECTION VI – FINANCIAL INFORMATION
STATEMENT OF FINANCIAL INDEBTEDNESS

Nature of Borrowings	Amount (₹ in lakhs)
SECURED LOANS	
Term loan limit	66.70
Loan repayable on demand	415.06
SECURED LOANS	46.69
TOTAL	528.45

A. SECURED LOANS

(Rs in Lakhs)

Type of loan	Sanctioned amount (₹ in lakhs)	Amount outstanding as of August 30, 2024 (₹ in lakhs)	Rate of interest (% p.a.)	Tenor/period	Purpose	Repayment schedule	Security provided
Term loan limit							
COSMOS CO CO-OPERATIVE BANK	78.00	66.70	9.95%	60 Months	For purchase of machinery & equipment	60 monthly instalments starting from November, 2024	Equitable mortgage of Shop No. GA/17, Ground Floor, Lake City Mall A, Commercial Complex, Ghodbunder Road, Kapur Bhavdi Junction, Village Majiwade, Tulka District, Thane 400607 (adm. Area of 336.00 sq ft Built up) owned by Mrs. Rajeshwari Malla & Ravi Shankar Malla. AND FDR'S OF DIRECTORS 1. Minesh Anilbhai Chovatia 2.5 LAKH 2. Premal Niranjana Shah 56.36 LAKHS 3. Ravishankar Sriramamurthi Malla 11.12 LAKHS 4. Ragesh D.Bhatia 56.36 LAKHS
Loan repayable on demand							
	450.00	316.66	9.95%				Equitable mortgage of Shop No. GA/17, Ground Floor, Lake City Mall A, Commercial Complex, GROUND

COSMOS CO OPERATIVE BANK							Road, Kapur Bhavdi Junction, Village Majiwade, Tulka District, Thane 400607 (adm. Area of 336.00 sq ft Built up) owned by Mrs. Rajeshwari Malla & Ravi Shankar Malla. AND FDR'S OF DIRECTORS 1. MINESH ANILBHAI CHOVATIA 2.5 LAKH 2. Premal Niranjana Shah 56.36 LAKHS 3. Ravishankar Sriramamurthi Malla 11.12 Lakhs 4. Ragesh D. Bhatia 56.36 L
COSMOS CO OPERATIVE BANK	100	98.40	8.75%				Fixed deposit receipt of ₹ 40.00 Lakhs duly lien marked in the name of Mr. Asheesh Vishwakarma AND PERSONAL GUARANTEE OF ASHEESH VISHWAKARMA AND PREMAL NIRANJAN SHAH.
TOTAL	628.00	481.76					

B. UNSECURED LOANS

Name of lender and documents entered	Nature of Loan Facility	Amount Outstanding as on 30 th August, 2024 (₹ in lakhs)	Security
Minesh Anilbhai Chovatia	Unsecured Loan	14.04	Unsecured Loan
Premal Niranjana Shah	Unsecured Loan	11.07	Unsecured Loan
Ragesh Deepak Bhatia	Unsecured Loan	12.57	Unsecured Loan
Ravi Shankar Malla	Unsecured Loan	9.01	Unsecured Loan
TOTAL		46.69	

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

MAIN COMPONENTS OF PROFIT AND LOSS ACCOUNT

Revenue from operations

In absolute terms the revenues of the company have grown by Rs. 2721.06 lakhs in FY 2023 from FY 2022 and Rs. 2010.67 lakhs in FY 2024 from FY 2023. On a larger base it is always difficult to maintain similar absolute terms growth rate on a year-on-year basis. Moreover, to maintain growth the company has always been identifying new areas and product lines for maintaining its growth. In FY 2024 the major growth was generated from the warehouse material space done from its subsidiary Progulf Warehousing Solutions LLP.

FISCAL YEAR ENDED MARCH 31, 2024 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023:

Profit after Tax

The profit for the FY 2024 is significantly higher than the previous year owing to the following:

- a) Full year of operation of the subsidiary, Progulf Warehousing Solutions LLP wherein the EBITDA margin was 25.29% as against 4.00% in the previous year. Our company holds 65% of the subsidiary and this business added Rs. 174.32 lakhs straight to our EBITDA.
- b) Compared to last year all metal items purchased in the form of Mild Steel (MS) and Stainless Steel (SS) were available at a lower cost, the benefit of which was not required to be passed down to our customers facilitating in the increased margins.
- c) Employee costs reduced slightly in FY 2023-24, from 8.75% in FY 2022-23 to 6.87% in FY 2023-24. This reduction was driven by a cut in the director's salary in the most recent fiscal year, helping the company control costs in this area.

FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022:

Revenue from Operation

Our majority revenues are generated from the retail industry. We manufacture furniture and fixtures for retail stores and have some big retail names as our customers. FY22 was reeling under the uncertainty of COVID. Though the worst was in FY21 but for the retail industry, a large part of FY22 was also unclear of how things would unfold. This made most of the retailers if not all to put their expansion plan on hold and thereby affected our business. In FY23, the general confidence came back and there was clarity that COVID was completely behind us. This made everyone start their stalled plans mainly expansion plans which gave an upswing in our business too. In absolute numbers, in FY22, our revenues were Rs.3,566.93 lakhs and in FY23 our revenues were Rs.6,287.99 as per our Restated Consolidated Financial Statement. This marks an increase of about 76%.

We had also developed a new product which opened a new vertical for us in FY22 such as sound barriers which was infrastructure related product. We started selling it in FY22 and sold sound barriers worth Rs.179.95 lakhs. In FY23, we sold the same products of Rs.330.83 lakhs which was a jump of Rs. 150.88 lakhs or approximately 85%.

Further, our subsidiary M/s. Progulf Warehousing Solutions LLP was formed in February 2022 for providing warehouse stacking solutions. We achieved a sale of Rs.295.56 lakhs in FY23 from this subsidiary which contributed additionally to our revenues of FY23 in comparison to FY22.

Profit after Tax

The PAT margin of the company in the FY 2022 is 1.45% as compared to 1.01% in FY 2023 and the reasons for the decrease in PAT margin in FY 2023 is as follows:

- a) The company has incurred material rejections of Rs.70.00 Lakhs in FY 2022-23, which has impacted the PAT margin of the company in the FY 2023 as compared to FY 2022.

SECTION VII – LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

LITIGATION INVOLVING THE COMPANY

D. Tax Proceedings

Below are the details of pending tax cases involving our company, specifying the number of cases pending and the total amount involved:

(Rs. in Lakhs)

<i>Particulars</i>	<i>Number of Cases</i>	<i>Amount Involved</i>
Indirect Tax		
<i>Sales Tax/VAT</i>	Nil	Nil
<i>Central Excise</i>	Nil	Nil
<i>Customs</i>	Nil	Nil
<i>Service Tax</i>	Nil	Nil
<i>Goods & Service Tax (GST)**</i>	1	21,06,917.00
Direct Tax		
<i>Cases filed against our company</i>	Nil	Nil
<i>Cases filed by our company</i>	Nil	Nil

** The company has received the GST notice related to ITC mismatch for the FY 22 on April 25, 2024 amounting Rs. 21,06,917/- (INR Twenty-One Lakh Six Thousand Nine Hundred and Seventeen only). ITC reconciliation required thorough examination of own books of accounts with all the invoices, ledgers, data received from the vendors and ITC reflecting in the GSTR-2B. Which also requires cross checking of items from vendors ledger. A few vendors delayed in providing the data which led to delay in preparation of reconciliation and reply by the company.

As of now, after submitting the reply dated September 30, 2024, we have not received any further communications from the GST authority regarding the same.

F. Outstanding dues to Creditors

Our Board, in its meeting held on August 14, 2024 has considered and adopted a policy of materiality for identification of material outstanding dues to creditors ("Materiality Policy"). In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 5% of the total trade payables as on March 31, 2024 as per Restated Financial Statements was outstanding, were considered to be 'material' creditors. As per the Restated Financial Statements, the total trade payables as on March 31, 2024, was 2,021.93 lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 101.10 lakhs have been considered as material creditors for the purposes of disclosure in this Prospectus.

The details of our outstanding dues owed to 'material' creditors, Micro, small or medium enterprises and other creditors as on March 31, 2024 by our Company are set out below:

(₹ in lakhs)

Particulars	Number of creditors	Amount Involved (Rs.)
Micro, small or medium enterprises (other than Material as per threshold)	-	-
Material creditors (as per threshold)	4	573.36
Other creditors (other than Material as per threshold)	293	1,448.57

LITIGATION RELATING TO THE DIRECTORS AND PROMOTER OF THE COMPANY

I. LITIGATION AGAINST OUR PROMOTER

A. Outstanding criminal proceedings: 1

1. The Jai Punit Nagar Co-Operative Housing Society Ltd. & Anr. v. M/s Gokul Constructions & Co. & Ors.

The Jai Punit Nagar Co-Operative Housing Society Limited (“**Complainant No. 1**”) and the State of Maharashtra (“**Complainant No. 2**”) (Complainant Nos. 1 & 2 collectively “**Complainants**”) have filed the Criminal Complaint No. 344/SW/12 (“**Complaint**”) before the Hon’ble Metropolitan Magistrate, Borivali (“**Court**”) against M/s Gokul Constructions & Co. & Ors. (“**Accused**”). The Complainant has filed this complaint as it is seeking conveyance of the plot of land from the Accused on which the said housing society of the Complainant stand and the said plot, which was a parcel of larger piece of land was originally owned by M/s Mooljee Lukhmidass, a partnership firm (“**Mooljee**”), which conveyed development rights unto M/s Karnataka Traders (“**KT**”) and M/s Gokul Construction Co. (“**Gokul**”) and KT and Gokul developed and sold the residential flats and shops to several third parties, who later formed several cooperative housing societies, one of which, is the Complainant herein. However, since Mooljee had defaulted on the repayment of the mortgage it had obtained for the development of the said land, the same was proceeded against legally before Hon’ble Debt Recovery Tribunal, Mumbai which issued Recovery Certificate against Mooljee. Thereafter, Vibhushan Estates Private Limited (“**Vibhushan**”) bought the larger plot from Mooljee and the Bank also assigned the Recovery Certificate unto Vibhushan and Mr. Ragesh D. Bhatia is a director in Vibhushan. Therefore, the Complainant herein has filed the complaint against the directors of Vibhushan, who is the current owner of the larger plot of land whereupon the Complainant’s housing society is erected. The said Complaint has been filed under Sections 420, 418, 120B of the Indian Penal Code, 1860 (“**IPC**”) and Sections 3, 5, 10 & 11 of the Maharashtra Ownership of Flats Act, 1963 (“**MOFA**”) against Accused, wherein on 10th June, 2014 the Court had issued process against the Accused. The Accused No. 14 herein filed an application for Condonation of Delay and Revision against the Process issued before the Learned Court on 03rd November, 2014. However, since the Court did not condone the delay and grant stay, the Accused No. 14 herein filed an Appeal before the Hon’ble Bombay High Court for quashing of the private complaint through APL/676/2015, where the Hon’ble Bombay High Court vide Order dated 15th July, 2015 stayed the Complainant. Since the nature of the proceedings is criminal in nature, the same cannot be quantified and therefore, it cannot be ascertained as to how much amount is involved. The Complaint remains “Stayed” and is next to be listed on 4th October 2024. Further, the matter is in appeal before Hon’ble Bombay High Court. Details of the appeal is mentioned hereinafter.

Deepak R. Bhatia & Ors. v. The Jai Punit Nagar Co-Operative Hsg. Soc. Ltd. & Anr.

Deepak R. Bhatia & Ors. (“**Applicant**”) wherein Ragesh D. Bhatia is appellant no. 3 has filed APL/676/2015 (“**Appeal**”) before the Hon’ble Bombay High Court, Criminal Appellate Jurisdiction (“**Court**”) against The Jai Punit Nagar Co-Operative Hsg. Soc. Ltd. & Anr. (“**Accused**”) under Sections 420, 418, 120B of the Indian Penal Code, 1860 and Sections 3, 5, 10 & 11 of the Maharashtra Ownership Flats Act, 1963. The Accused herein had filed a Private complaint under Sections 420, 418, 120B of the Indian Penal Code, 1860 and Sections 3, 5, 10 & 11 of the Maharashtra Ownership Flats Act, 1963 against the Applicant herein. Accordingly, process was issued and summons was issued by the Learned Metropolitan Magistrate Court, Borivali in Criminal Case No. 344/SW/12 against the Applicant herein and the Applicant filed an application for Condonation of Delay and Revision against the Process issued before the Learned Court on 03rd November, 2014. However, since Learned Sessions Court did not condone the delay and grant stay, the Applicant filed the Appeal before the Court for quashing of the private complaint. The Court vide Order dated 15th July, 2015 the Court stayed the Criminal Case No. 344/SW/12. The Appeal was last listed before the Court on 19th March, 2019 and the Order dated 15th July 2025 continues in effect and the Criminal Case No. 344/SW/12 against the Applicant herein is stayed and the status of the Appeal remains to be “Pre-Admission”.

GOVERNMENT AND OTHER APPROVALS

Business related Registration:

The certificates of Maharashtra Pollution Control Board shall also serve as Consent to Establish and Consent to Operate Licenses.

Material Approvals of the Subsidiary (Progulf Warehousing Solutions LLP) of the Company:

- i. Subsidiary of our Company was originally incorporated as “PROGULF WAREHOUSING SOLUTIONS LLP” on February 21, 2022 vide certification of incorporation bearing LLPIN ABA-7259 under the provision of Limited Liability Partnership Act, 2008 issued by the Assistant Registrar of Companies.
- ii. LLPIN- ABA-7259

APPROVALS IN RELATION TO THE BUSINESS OPERATIONS:

Business Related registration:

Sr. No.	Details of Registration / Certificate	Registration No./ Reference No./ License No.	Issuing Authority	Date of Expiry
1	Maharashtra Shop and establishment license for registered office of Progulf Warehousing Solutions LLP	890899413	Office of the Chief Facilitator, Shops & Establishments, Brihanmumbai Municipal Corporation	NA
2	Registration & License to work a Factory for Manufacturing Plant III	12320259940P-04	Directorate of Industrial safety and health (Labour Department)	Till 31/12/2026
3	Maharashtra Pollution Control Board- Manufacturing Plant III	0000218569/CO/2409000019	Maharashtra Pollution Control Board	Valid up to 29/02/2028
4	No Objection Certificate from Fire Department	1115/2024	Vasai-Virar Municipal Corporation - Fire and Emergency Services Department	1 year from 26/08/2024

Tax Related Approvals:

Sr.No.	Nature of Registration/License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Expiry
1	Permanent Account Number (PAN)	ABBF7055L	Income Tax Act, 1961	Income Tax Department	Valid till cancelled
2	GST Registration	27ABBF7055L1ZU	Central Goods and Services Tax Act, 2017	Government of India	Valid till Cancelled
3	TAN	MUMP46263A	Income Tax Act, 1961	Income Tax Department	Valid till Cancelled
4	PTRC Act	27312086975P	The Profession Tax Rules, 1975	Government of Maharashtra, India	Valid till Cancelled
5	PTEC	99814452797P	Maharashtra State Tax on Professions,	Government of Maharashtra, India	Valid till Cancelled

			Trades, Callings and Employments Act, 1975		
6	Employees' Provident Fund Organisation	KDMAL3368004000	Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Government of India	Valid till cancelled
7	Employee State Insurance	35000972170000999	E.S.I. Act, 1948	Government of India	Valid till cancelled

(a) Other Approvals and quality certifications: - NIL

(b) Intellectual Property related Approvals: - NIL

(c) Trademarks registered/Objected/Abandoned in the name of our company: NIL

(d) Material Approvals Applied For, Including Renewal Applications but Not Received By Our Company And Subsidiaries: NIL

(e) Material Licenses / Approvals for Which Our Company Is Yet To Apply For: NIL

SECTION X – 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 the Draft 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 have been attached to the copy of the prospectus delivered to the ROC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at Building No 2, WING A & B, Survey No -36, Hissa No 13, Waliv Village, Dhumal Nagar, Valiv, Thane, Vasai - 401208, Maharashtra, India., from 10.00 am to 5.00 pm on all Working Days from the date of until the Issue Closing Date.

B. Material Documents

1. Copy of Certificate from R. J. Kamothi, Chartered Engineer dated October 19, 2024 certifying the estimate of increase in capacity with machine addition.
2. Certificate issued by M/s. Mittal & Company, Chartered Accountants, with respect to KPIs dated August 20, 2024.

DECLARATION

I hereby confirm that all statements and undertakings specifically made or confirmed by me in this Addendum to Draft Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including statements made by or relating to the Company or any other person(s) in this Addendum to Draft Prospectus

Signed by the Selling Shareholder

Name of Selling Shareholder	Signature
Ragesh Deepak Bhatia	
Premal Niranjana Shah	
Ravishankar Sriramamurthi Malla	
Minesh Anilbhai Chovatia	

Date: Tuesday, January 07, 2025

Place: Mumbai

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to Draft Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Addendum to Draft Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Premal Niranjana Shah DIN: 03526547 Chairman and Managing Director	
Ragesh Deepak Bhatia DIN: 00285979 Whole Time Director	
Ravishankar Sriramamurthi Malla DIN: 07223518 Whole Time Director	
Minesh Anilbhai Chovatia DIN: 08758327 Whole Time Director	
Arshita Singh DIN: 10440686 Non-Executive Independent Director	
Paras Tushar Shah DIN: 07368791 Non-Executive Independent Director	
Dilip Kumar Swarnkar DIN: 10088552 Non-Executive Independent Director	
Jyoti Prajapati DIN: 10626718 Non-Executive Independent Director	

Signed by the Company Secretary & Compliance Officer
Khushboo Nilesh Rawat

Signed by the Chief Financial Officer (CFO)
Shankar Laxman Chalke

Date: Tuesday, January 07, 2025
Place: Mumbai
