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# DRAFT RED HERRING PROSPECTUS

Dated: July 25, 2025

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

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

100% Book Built Issue



## ENCOMPASS DESIGN INDIA LIMITED (PREVIOUSLY KNOWN AS ENCOMPASS DESIGN INDIA PRIVATE LIMITED) CIN: U74210MH2010PLC200672

REGISTERED OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E), Mumbai, Maharashtra, India, 400063	Nikita Dinesh Chandak, Company Secretary and Compliance Officer	Tel: +91 7738988671 Email: <a href="mailto:cs@edipl.in">cs@edipl.in</a>	<a href="http://www.edipl.in">www.edipl.in</a>

**PROMOTERS OF OUR COMPANY: AMITRAJENDRAPRASAD DALMIA, SUSMITA AMIT DALMIA, RUMAN KAILASH AGARWAL AND YOGENDRA VASHISHTA**

### DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OF SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Up to 37,58,400 equity shares of face value of ₹ 10 each ("Equity Shares") aggregating up to ₹ [●] lakhs ("Issue")	Nil	Up to 37,58,400 equity shares of face value of ₹ 10 each ("Equity Shares") aggregating up to ₹ [●] lakhs ("Issue")	This issue is being made in terms of Regulation 229 (2) and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES**

### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/. The Floor Price, Cap Price and Offer Price as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under "Basis for Issue Price" on page 100 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after Listing.

### GENERAL RISK

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on Page No 28 of this Draft Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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


### LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the NSE. For the purpose of this Offer, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").

### BOOK RUNNING LEAD MANAGER: 3D DIMENSION CAPITAL SERVICES LIMITED

NAME AND LOGO	CONTACT PERSON	E-MAIL ID AND TELEPHONE
 OUR PATH - YOUR SUCCESS 3D DIMENSION CAPITAL SERVICES LIMITED	Mr. Rhydhm Kapoor	Telephone: 011-40196737 E-mail: <a href="mailto:info@3dcscl.com">info@3dcscl.com</a>

### REGISTRAR TO THE ISSUE: MUFG INTIME INDIA PRIVATE LIMITED

NAME AND LOGO	CONTACT PERSON	E-MAIL ID AND TELEPHONE
 MUFG INTIME INDIA PRIVATE LIMITED	Mr. Shanti Gopalkrishnan	Telephone: +91 810811 4949 E-mail: <a href="mailto:edil.smeipo@in.mpms.mufg.com">edil.smeipo@in.mpms.mufg.com</a>

### BID/ISSUE PERIOD

ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]*	BID/ISSUE OPENS ON: [●]*	BID/ISSUE CLOSES ON: [●]**^
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\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

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



**ENCOMPASS DESIGN INDIA LIMITED**  
**CIN: U74210MH2010PLC200672**

Our Company was originally incorporated as “Encompass Design India Private Limited” a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 2010 issued by Registrar of Companies, Mumbai. Further, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated March 31, 2025 and consequently, the name of our Company was changed from “Encompass Design India Private Limited” to “Encompass Design India Limited” and a fresh certificate of incorporation dated May 05, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U74210MH2010PLC200672. For further details, please refer to the chapter titled “History and Certain Corporate Matters” beginning on Page No. 174 of this Draft Red Herring Prospectus.

**Registered Office:** Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E),  
Mumbai, Maharashtra, India, 400063

**Telephone:** +91 7738988671 **Email:** [cs@edipl.in](mailto:cs@edipl.in) **Website:** [www.edipl.in](http://www.edipl.in)

**Contact Person:** Nikita Dinesh Chandak, Company Secretary and Compliance Officer;

**PROMOTERS OF OUR COMPANY: AMIT RAJENDRAPRASAD DALMIA, SUSMITA AMIT DALMIA, RUMAN KAILASH AGARWAL AND YOGENDRA VASHISHTA**

**INITIAL PUBLIC OFFER OF UPTO 37,58,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF ENCOMPASS DESIGN INDIA LIMITED (THE “COMPANY” OR “ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LACS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LACS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND MARATHI EDITION OF [●] REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.**

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

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one third of such portion is reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-third of such portion was reserved for applicants with application size of more than ₹ 10,00,000 provided that the unsubscribed portion in either of such subcategories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35.00% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” on page 295 of this Draft Red Herring Prospectus.

*All potential investors shall participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 295 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.*

**ELIGIBLE INVESTORS**

For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on Page No. 295 of this Draft Red Herring Prospectus.

**RISKS IN RELATION TO THE FIRST ISSUE**

“This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is Rs. 10/-. The issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the issuer nor regarding the price at which the equity shares will be traded after listing.”

**GENERAL RISK**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

#### LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the NSE. For the purpose of this Offer, the Designated

#### BOOK RUNNING LEAD MANAGER

#### REGISTRAR TO THE ISSUE



OUR PATH - YOUR SUCCESS



#### 3DIMENSION CAPITAL SERVICES LIMITED

K-37A, Basement, Kailash Colony, Near  
Kailash Colony Metro Station, New Delhi-  
110048

**Telephone:** 011-40196737

**E-mail id:** [info@3dcs.com](mailto:info@3dcs.com)

**Website:** [www.3dcs.com](http://www.3dcs.com)

**Investor Grievance e-mail ID:**

[grievance@3dcs.com](mailto:grievance@3dcs.com) **Contact Person:** Mr.

Rhyddham Kapoor/ Mr. Pankaj Khetan **SEBI**

**Registration Number:** INM000012528

**CIN:** U65923DL2001PLC113191

#### MUFG Intime India Private Limited

C-101, 247 Park, 1st Floor, L B S Marg, Vikhroli (West), Mumbai 400083,  
(Maharashtra), India.

**Telephone:** +91 810811 4949

**Facsimile:** N.A.

**Email:** [edil.smeipo@in.mpms.mufg.com](mailto:edil.smeipo@in.mpms.mufg.com)

**Website:** [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)

**Investor Grievance Email:** [edil.smeipo@in.mpms.mufg.com](mailto:edil.smeipo@in.mpms.mufg.com)

**Contact Person:** Shanti Gopalkrishnan

**SEBI Registration Number:** INR000004058

#### ISSUE PROGRAMME

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

**BID/ISSUE OPENS ON:** [●]\*

**BID/ISSUE CLOSES ON:** [●]\*\*^

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.

The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

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

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## Table of Contents

SECTION	CONTENTS	PAGE NO.
<b>I</b>	<b><u>SECTION I – GENERAL</u></b>	1
	<u>DEFINITIONS AND ABBREVIATIONS</u>	1
	<u>CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION</u>	18
	<u>FORWARD - LOOKING STATEMENTS</u>	20
<b>II</b>	<b><u>SECTION II – SUMMARY OF ISSUE DOCUMENT</u></b>	22
<b>III</b>	<b><u>SECTION III- RISK FACTORS</u></b>	28
<b>IV</b>	<b><u>SECTION IV - INTRODUCTION</u></b>	52
	<u>THE ISSUE</u>	52
	<u>SUMMARY OF FINANCIAL INFORMATION</u>	54
<b>V</b>	<b><u>SECTION V - GENERAL INFORMATION</u></b>	58
<b>VI</b>	<b><u>SECTION VI – CAPITAL STRUCTURE</u></b>	68
<b>VII</b>	<b><u>SECTION VII – PARTICULARS OF THE ISSUE</u></b>	93
	<u>OBJECTS OF THE ISSUE</u>	93
	<u>BASIS FOR ISSUE PRICE</u>	100
	<u>STATEMENT OF SPECIAL TAX BENEFITS</u>	108
<b>VIII</b>	<b><u>SECTION VIII – ABOUT THE COMPANY</u></b>	112
	<u>INDUSTRY OVERVIEW</u>	112
	<u>OUR BUSINESS</u>	128
	<u>KEY INDUSTRY REGULATIONS</u>	164
	<u>HISTORY AND CORPORATE STRUCTURE</u>	174
	<u>OUR MANAGEMENT</u>	180
	<u>OUR PROMOTER AND PROMOTER GROUP</u>	196
	<u>DIVIDEND POLICY</u>	203
<b>IX</b>	<b><u>SECTION IX - FINANCIAL INFORMATION OF OUR COMPANY</u></b>	204
	<u>RESTATEd FINANCIAL STATEMENTS</u>	205
	<u>OTHER FINANCIAL INFORMATION</u>	232
	<u>STATEMENT OF FINANCIAL INDEBTNESS</u>	234
	<u>MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND</u>	236
<b>X</b>	<b><u>SECTION X – LEGAL AND OTHER INFORMATION</u></b>	251
	<u>OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS</u>	251
	<u>GOVERNMENT AND OTHER STATUTORY APPROVALS</u>	261
<b>XI</b>	<b><u>SECTION XI: INFORMATION WITH RESPECT TO GROUP COMPANIES</u></b>	269
<b>XII</b>	<b><u>SECTION XII - OTHER REGULATORY AND STATUTORY DISCLOSURES</u></b>	272
<b>XIII</b>	<b><u>SECTION XIII – ISSUE RELATED INFORMATION</u></b>	283
	<u>TERMS OF THE ISSUE</u>	283
	<u>ISSUE STRUCTURE</u>	291
	<u>ISSUE PROCEDURE</u>	295
	<u>RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES</u>	325
<b>XIV</b>	<b><u>SECTION XIV – MAIN PROVISIONS OF ARTICLE OF ASSOCIATION</u></b>	326
<b>XV</b>	<b><u>SECTION XV – OTHER INFORMATION</u></b>	365
	<u>MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION</u>	365
	<u>DECLARATION</u>	366



## **SECTION I – GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

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

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.

Notwithstanding the foregoing, the terms used in “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Statement of Possible Special Tax Benefits*”, “*Financial Information*”, “*Basis for Issue Price*”, “*Outstanding Litigation and Material Developments*” and “*Description of Equity Shares and Terms of the Articles of Association*” beginning on pages 112, 164, 108, 204, 100, 251 and 326, respectively, shall have the meaning ascribed to them in the relevant section.

### **GENERAL AND COMPANY RELATED TERMS**

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”, “Encompass” or “EDIL”	Encompass Design India Limited, a public limited company incorporated in India under the Companies Act, 1956 having its registered office at Office No. Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E), Mumbai, Maharashtra, India, 400063
Our Promoters	Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta.
Promoters’ Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” on page 196 of this Draft Red Herring Prospectus

### **COMPANY RELATED TERMS**

Term	Description
Articles/Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.
Auditor/ Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, M/s. V. K. Beswal & Associates, Chartered Accountants.
Bankers to the Company	Bank of Maharashtra, Union Bank of India
Board of Directors/ Board/BOD	The Board of Directors of Encompass Design India Limited unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U74210MH2010PLC200672.
CMD	Chairman and Managing Director of our Company is Mr. Amit Rajendraprasad Dalmia.
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Mr. Tarak Amrutlal Nagda.

Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Mrs. Nikita Dinesh Chandak.
Committee(s)	Duly constituted committee(s) of our Board of Directors, as described in <b>“Our Management – Committees of the Board”</b> on page 180.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number.
Director(s)	Directors on our Board as described <b>“Our Management”</b> beginning on page 180 of this Draft Red Herring Prospectus.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Director /ED	Executive Director(s) on our Board, as described in <b>“Our Management”</b> , beginning on page 180 of this Draft Red Herring Prospectus
Group Companies	Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer “Our Group Companies” on page 269 of this Draft Red Herring Prospectus.
HUF	Hindu Undivided Family.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN (Equity Shares)	International Securities Identification Number. In this case being INE433T01015
Key Managerial Personnel/Key Managerial Employees/KMP	Key Managerial Personnel of our company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations, 2018 and Section 2(51) of the companies Act, 2013 as applicable and as further disclosed in the section titled <b>“Our Management”</b> on page 180 of this Draft Red Herring Prospectus.
Key Performance Indicators” or “KPIs”	Key financial and operational performance indicators of our Company, as included in “Basis for Issue Price” beginning on page 100.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on June 09, 2025 in accordance with the requirements of the SEBI ICDR Regulations.
MOA/ Memorandum /Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled <b>“Our Management”</b> on page 180 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management Act, 1999.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability

	company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	The Promoters of our company, being Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta. For details, see <b>“Our Promoter and Promoter Group”</b> on page 196 of this Draft Red Herring Prospectus.
Promoter Group	Person and entities constituting the promoter group of our company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in <b>“Our Promoter and Promoter Group”</b> on page 196 of this Draft Red Herring Prospectus.
Registered Office	Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E), Mumbai, Maharashtra, India, 400063.
Restated Financial Information/Restated Financial Statements	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the Financial year ended March 31, 2025, 2024, 2023 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Mumbai.
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Takeover) Regulations or SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Shareholders	Shareholders of our company
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013 and Listing Regulations. For details refer section titled <b>“Our Management”</b> on page 180 of this Draft Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, NSE Limited.
Whole-time Director/ WTD	Whole-time director(s) on our Board, as described in <b>“Our Management”</b> , beginning on page 180 of this Draft Red Herring Prospectus

**ISSUE RELATED TERMS**

Term	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as maybe specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Applicant	Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by ASBA Bidder.
ASBA Bidder	Any prospective investor(s) / Bidder(s) in this Issue who apply(ies) through the ASBA process.
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants.
Allottee(s)	The successful applicant to whom the Equity Shares are being/have been issued.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus

Term	Description
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Banker(s) to the Issue	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [●].
Bid	An indication to make an Issue during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Issue Closing Date	<p>The date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation.</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>
Bid/Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●] an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation.
Bid/ Issue Period	<p>The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p>



Term	Description
	In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of the Draft Red Herring Prospectus.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager/ BRLM	The Book Running Lead Manager to the Issue, being 3Dimension Capital Services Limited.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled 'Basis of allotment' under chapter titled "Issue Procedure" starting from page no. 295 of this Draft Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE.
Circular on Streamlining of Public Issues/ UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Master circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with (i) the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022; and (ii) the circulars issued by BSE having reference no.

Term	Description
	20220722-30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022; and any subsequent circulars or notifications issued by SEBI, BSE or National Stock Exchange of India Limited in this regard.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Cut Off Price	Offer Price, i.e. ₹ [●] per Equity Share, finalised by our Company in consultation with the BRLMs, which was the price within the Price Band Only Individual Bidders who applies for minimum application size are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable.
Designated Intermediaries/Collecting agent	In relation to ASBA Forms submitted by Individuals Investors authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ), as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by Individuals Investors where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such II using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of

Term	Description
	listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
DP ID	Depository Participant's identity number.
Draft Red Herring Prospectus/DRHP	This Draft Red Herring Prospectus July 25, issued in accordance with Section 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Electronic Transfer of	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Emerge Platform of National Stock Exchange of India Limited	The EmERGE Platform of National Stock Exchange of India Limited for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as a National Stock Exchange of India Limited EmERGE on October 14, 2011.
Equity Listing	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Engagement Letter	The Engagement letter Signed Between Book Running Lead Manager and Encompass Design India Limited dated October 29, 2024.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Book Running Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band being [●], subject to any revision(s) thereto, not being less than the face value of Equity Shares and the Anchor Investor Issue Price, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fresh Issue	The Fresh Issue of Upto 37,58,400 Equity Shares aggregating up to ₹ [●] Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
Gated Markets	Rewards, loyalty and redemption platforms which manage credit/ debit card point redemptions and employee & dealer incentives.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General

Term	Description
	Information Document shall be available on the websites of the Stock Exchange and the Book Running Lead Manager.
GIR Number	General Index Registry Number
Individual Investor(s)/ III(s)	Individual Applicants, who have applied for the Equity Shares for an amount more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs)
Individual Investor Portion	The portion of the Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Individual Bidders who applies for minimum application size (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Individual Investor Portion and remaining Equity Shares to be allotted on a proportionate basis.
Issue Agreement	The agreement dated July 10, 2025 amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Book Running Lead Manager under the Red Herring Prospectus and the Prospectus being ₹ [●] per share.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 93.
Issue Opening	The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and Marathi Regional Newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Closing	The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and [●] (Marathi Regional Newspaper) each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offering/IPO	The initial public offering of upto 37,58,400 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs comprising the Fresh Issue.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Maker	Market Maker of the Company, in this case being [●].
Market Maker Reservation Portion	The Reserved portion of [●] Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹ [●] for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Book Running Lead Manager and our Company dated [●].
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intml_d=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intml_d=43</a> or such other website as may be updated from time to time, which may be used by Individuals Investors to submit Bids using the UPI Mechanism.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
Mutual Fund Portion	5% of the Net QIB Portion (other than anchor allocation), or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ [●] per Equity Share (the

Term	Description
	“Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●].
Net Proceeds	The proceeds from the Issue less the Issuer-related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see <b>“Objects of the Issue”</b> on page 93.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors/ Non- Institutional Bidders/ NIB’s	All Applicants that are not QIBs or Individual Bidders who applies for minimum application size and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Non Individual Investor Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Offer, after Individual Investor portion, being not more than 50% of the Net issue which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	<p>Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●].</p> <p>The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price.</p> <p>The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is situated) at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective website.</p>
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue opening and closing dates, the size of the Issue and certain other information.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Pricing Date	The date on which our Company, in consultation with the Managers, will finalise the Issue Price.



Term	Description
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Offer Price (for Anchor Investors).
Red Herring Prospectus/ RHP	The Red Herring Prospectus dated [●] issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Registrar Agreement	The agreement dated July 10, 2025 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar to the Issue/ Registrar	Registrar to the Issue being MUFG Intime India Private Limited.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individual Applicants who applies for minimum application size can revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
SEBISCORES	Securities and Exchange Board of India Complaints Redress System
Self-Certified Syndicate Bank(s) or SCSB(s)	The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmI_d=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmI_d=34</a> , or at such other websites as may be prescribed by SEBI from time to time. In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website

Term	Description
	<p>of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intm_Id=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intm_Id=35</a>) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intm_Id=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intm_Id=35</a>) as updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI(<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>) and (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intm_Id=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intm_Id=43</a>) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.</p>
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Individual Bidders who applies for minimum application size into the UPI and carry out other responsibilities, in terms of the UPI Circulars, Being [●]
Stock Exchange	National Stock Exchange of India Limited
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Syndicate Member	Syndicate members as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations, namely [●].
Sub-Syndicate Member	Sub-Syndicate Member of the Company, in this case being [●].
Syndicate Agreement	The agreement dated [●] to be entered into amongst our Company, the BRLMs and the Syndicate Members, in relation to collection of Bids in this Offer.
Transaction Registration Slip/TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time, The BRLM shall act as the underwriter to the Issue.
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated [●]
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Individual Bidders who applies for minimum application size, and (ii) Non- Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

Term	Description
	Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Master circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with (i) the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022; and (ii) the circulars issued by BSE having reference no. 20220722-30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022; and any subsequent circulars or notifications issued by SEBI, BSE or National Stock Exchange of India Limited in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Individual Bidder who applies for minimum application size by way of a notification on the Mobile App and by way of a SMS directing the Individual Bidder who applies for minimum application size to such Mobile App) to the Individual Bidder who applies for minimum application size initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a II to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Draft Red Herring Prospectus are open for business :- <ol style="list-style-type: none"> <li>However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Red Herring Prospectus are open for business.</li> <li>In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.</li> </ol>

#### Conventional and General Terms and Abbreviations

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting

Term	Description
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EMERGE	The SME platform of National Stock Exchange of India Limited

Term	Description
EoGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Financial Year/ Fiscal Year/FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there- under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
IMPS	Immediate Payment Service
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
KYC	Know your customer
LIC	Low-Income Country
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR/ Non Residents	Non Resident
NPCI	National Payments Corporation of India
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited



Term	Description
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
Securities Act	The U.S. Securities Act of 1933, as amended
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to Time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TAN	Tax deduction account number
TIN	Tax payer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Holder	A beneficial owner of Equity Shares that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a

Term	Description
	corporation organized under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to United States federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. person
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
VAT	Value Added Tax
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending March 31

#### **INDUSTRY RELATED TERMS**

Term	Description
D2C	Direct-to-customer
AI	Artificial Intelligence
GSM	Grams per Square Meter
SKUs	Stock Keeping Unit
IP	Intellectual Property
pH	Power of Hydrogen
FIFO	First In, First Out
SOP	Standard Operating Procedure
WMS	Warehouse Management System
SLA	Service Level Agreements
FT	Feet
LT	Low Tension
KW	Kilowatt
CSR	Corporate Social Responsibility

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 326, 108, 112, 164, 204, 251 and 295 respectively of this Draft Red Herring Prospectus, will have the meaning as described to such terms in these respective sections.

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

### **Certain Conventions**

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

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

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “**Financial Information**” on Page No. 204 of this Draft Red Herring Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for Financial Years ended March 31, 2025, 2024, 2023 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “*Reports in Company Prospectuses (Revised 2019)*” issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” on Page Nos. 28, 128 and 236 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “**Risk Factors**”, “**Industry Overview**” and “**Our Business**” on Page Nos. 28, 112 and 128 respectively, this Draft Red Herring Prospectus.

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Draft Red Herring Prospectus in “Lakhs” units or in whole numbers where the numbers have been too small to represent in Lakhs. One lac represents 1,00,000 and one million represents 10,00,000.

### **Exchange rates**

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

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

Currency	Exchange rate as on		
	March 31, 2025	March 31, 2024	March 31, 2023
1 USD	85.58	83.37	82.22

(Source: RBI reference rate)

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in))

### **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "***Basis for Issue Price***" on Page No. 100 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors***" oNo. 28 of this Draft Red Herring Prospectus.

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## **FORWARD - LOOKING STATEMENTS**

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as “forward-looking statements”. These forward looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “project”, “propose”, “seek to”, “shall”, “will”, “will achieve”, “will continue”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. These forward-looking statements are based on our management’s belief and assumptions, current plans, estimates and expectations, which in turn are based on currently available information. As a result, actual results could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forwardlooking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in government regulations, municipal policies, or restrictions related to outdoor advertising could affect the availability or use of media assets;
- A decline in general economic activity could lead to reduced advertising budgets from clients, impacting demand for outdoor advertising services;
- Increased competition from other outdoor media companies, as well as alternative advertising platforms such as digital and social media, could affect market share and pricing power;
- A significant portion of revenue is linked to media assets located in specific high-traffic areas. Any loss of rights or licenses for key locations could adversely impact operations;
- Rapid changes in advertising technology, including digital media consumption patterns, could reduce the relative importance of traditional outdoor advertising formats;
- Dependence on a limited number of major clients for a significant portion of revenue could pose a risk if any of these clients reduce or discontinue their advertising spends;
- Delays in project execution, failure to maintain assets properly, or disruption due to external factors such as weather conditions or civic issues could impact service delivery and financial performance;
- Since the company manages or facilitates outdoor sites, any disputes, non-renewals, or changes in lease terms with property owners or authorities could affect asset availability;
- Non-compliance with municipal rules, advertising codes, or environmental regulations could lead to penalties, asset removals, or reputational harm;
- Broad events such as inflation, political instability, changes in consumer behaviour, or large-scale public movements could influence the effectiveness and revenues from outdoor advertising campaigns;

Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:



- Inability to maintain and develop our brand;
- Adverse statutory and regulatory actions from Income Tax Department or any other statutory or regulatory authority;
- Any adverse developments affecting Maharashtra where our registered office is located;
- Our business strategies and plans to achieve these strategies;
- Conflict of interest between our business and activities undertaken by entities in which certain of our directors and our Promoters have interest in future;
- Any qualifications or other observations made by our future statutory auditors which may affect our results of operations;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control; and
- Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, see “Risk Factors”, “Our Business” and ***“Management’s Discussion and Analysis of Financial Condition and Results of Operations”*** pages 28, 128 and 236 respectively.

Neither our Company, nor the Book Running Lead Manager, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our company and the Equity Shares from the date of the Red Herring Prospectus until the date of the allotment.

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## SECTION II – SUMMARY OF ISSUE DOCUMENT

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoter and Promoter Group*”, “*Financial Information*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on Page Nos. 28, 112, 251, 196, 204, 93, 128, 295 and 326 respectively of this Draft Red Herring Prospectus.

### 1. SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

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

References: <https://www.ibef.org/industry/ecommerce>

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

For further details, please refer to the chapter titled “*Industry Overview*” beginning on Page No. 112 of this Draft Red Herring Prospectus.

### 2. SUMMARY OF BUSINESS

**Encompass Design India Limited (EDIL)**, operating under the brand name ‘**ScaleSauce**’, is engaged in building and scaling consumer brands in India, with a focus on the **home & living** and **food** segments tailored to the modern urban Indian consumer. The Company was incorporated in **2010** as a trading enterprise. In response to emerging market opportunities, we subsequently **expanded our operations** to include **e-commerce support services**, which we operated alongside our trading activities.

The Company’s core business activities include the **manufacturing of home and lifestyle products**, such as **bed sheets, curtains, comforters, table linens, and pillow covers**, as well as **food products**, with a primary focus on **sauces**, marketed under its own brands.

In addition to its manufacturing operations, the Company is also involved in the **trading of agro-based products, cotton, and fabrics**. It further undertakes the **sale of various other goods**, primarily through **gated market platforms**, enabling access to niche buyers.

In addition to our product-based operations, the Company offers a **comprehensive range of digital and e-commerce support services** designed to enable the growth of consumer brands in the online space. These services provide **end-to-end solutions** across **marketing, technology, and operations**, catering to both **direct-to-consumer (D2C) businesses** and **corporate clients**. Through these offerings, we assist brands in enhancing visibility, expanding their digital presence, and driving sales growth.

For further details, please refer to chapter titled “*Our Business*” beginning on Page No. 128 of this Draft Red Herring Prospectus.

### 3. PROMOTERS

Our company is promoted by Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta. For further details, please refer to the chapter titled “*Our Promoters and Promoter Group*” beginning on Page No. 196 of this Draft Red Herring Prospectus.

#### 4. DETAILS OF THE ISSUE

Our Company is proposing the public issue of upto 37,58,400 equity shares of face value of ₹ 10/- each of Encompass Design India Limited (“ENCOMPASS” or the “Company” or the “Issuer”, and such equity shares the “Equity Share”) for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “Issue Price”) aggregating to ₹ [●] lakhs (the “Issue”), of which [●] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs will be reserved for subscription by market maker to the Issue (the “Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e., Net issue of [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs is herein after referred to as the “Net Issue”. The Issue and the Net Issue will constitute [●] % and [●] %, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

The price band will be decided by our company in consultation with the book running lead manager (“BRLM”) and will be advertised in all editions of [●] an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the Emerge platform of National Stock Exchange of India Limited (“NSE”, referred to as the “Stock Exchange”) for the purpose of uploading on their website.

For further details kindly refer to chapter titled “*Terms of the issue*” beginning on page 283 of this Draft Red Herring Prospectus.

#### 5. OBJECTS OF THE ISSUE

The details of the proceeds of the Issue are set out in the following table:

(₹ in Lakhs)

Sr no.	Particulars	Estimated amount
1.	Funding capital expenditure requirements of our company towards purchasing offices with furniture	979.00
2.	Funding capital expenditure requirements of our Company towards purchase of office premise for establishing an in-house studio	899.00
3.	Repayment/ prepayment of certain borrowings availed by our Company and	1,100.00
4.	General Corporate Purpose*	[●]

\*The amount utilized for General Corporate Purposes shall not exceed 15% of the total issue size or Rs 10 crore, whichever is lower of the amount raised by our Company through this Issue.

For further details, please see chapter titled “*Objects of the Issue*” beginning on Page No. 93 of this Draft Red Herring Prospectus.

#### 6. AGGREGATE PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Following are the details of the pre-Issue shareholding of Promoters and Promoter group:

Sr. No.	Name of the Shareholders	Pre-Issue	
		Number of Shares	% of Pre-Issue Equity Share Capital
Promoter & Promoter Group			
Promoter (A)			
1.	Mr. Amit Rajendraprasad Dalmia	72,59,281	69.63
2.	Mrs. Susmita Amit Dalmia	2,00,598	1.92

3.	Mr. Ruman Kailash Agarwal	4,49,935	4.32
4.	Mr. Yogendra Vashishta	4,49,962	4.32
	<b>Total(A)</b>	<b>83,59,776</b>	<b>80.19</b>
<b>Promoter Group (B)</b>			
	Promoter Group		
	<b>TOTAL (B)</b>	--	--
	<b>GRAND TOTAL (A+B)</b>	<b>83,59,776</b>	<b>80.19</b>

For further details, please refer to the chapter titled “*Capital Structure*” beginning on Page No. 68 of this Draft Red Herring Prospectus

## 7. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the Restated Financial Information as at the Period Financial Years ended on March 31, 2025, 2024, and 2023:

(₹ in Lakhs)

Particulars	For the year ended March 31		
	2025	2024	2023
Revenue from Operations	5,464.94	4,004.18	2,162.47
Growth in Revenue from Operations (%)	36.48%	85.17 %	22.52%
Other Income	36.25	10.56	6.61
Total Income	5,501.19	4,014.74	2,169.09
EBITDA	1,686.43	1,121.36	56.07
EBITDA Margin (%)	30.86%	28.00%	2.59%
Profit After Tax	1,079.38	687.90	(129.46)
PAT Margin (%)	19.75%	17.18%	-5.99%
Net-Worth	3,257.65	1,037.48	349.58
Return on Net-Worth	33.13	66.30	(37.03)
Return on Equity Ratio (%)	50.26%	99.19%	-31.25%
Return on Capital employed (%)	40.49%	55.36%	-8.47%
Debt to equity ratio	0.44	0.78	2.14

For further details, please refer to the section titled “*Financial Information*” beginning on Page No. 204 of this Draft Red Herring Prospectus.

## 8. MATERIAL AUDITOR’S QUALIFICATIONS

There are no material Auditor’s Qualifications which have not been given effect to in the Restated Financial Information.

For further information, please refer to chapter titled as “Restated Financial Information” on page 205 of this Draft Red Herring Prospectus.

## 9. SUMMARY OF OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

### Cases against our Company

Nature of Cases	No. of outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	NIL	NIL
Statutory/ Regulatory Authorities	NIL	NIL
Taxation Matters	6	1.36
Other Litigation	NIL	NIL

**Cases filed by our Company**

Nature of Cases	No. of outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	NIL	NIL
Statutory/ Regulatory Authorities	NIL	NIL
Taxation Matters	NIL	NIL
Other Litigation	NIL	NIL

**Tax Proceedings against our Company**

Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)
Direct Tax	4	1.36
Indirect Tax	2	NIL
Total	6	1.36

**Cases against our Directors**

Nature of Cases	No. of outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	NIL	NIL
Statutory/ Regulatory Authorities	NIL	NIL
Taxation Matters	1	NIL
Other Litigation	NIL	NIL

**Proceedings by or against our KMPs and SMPs**

Nature of Cases	No. of outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	NIL	NIL
Statutory/ Regulatory Authorities	NIL	NIL
Taxation Matters	1	NIL
Other Litigation	NIL	NIL

For further information, please refer chapter titled “*Outstanding Litigations and Material Developments*” on page no. 251 of this Draft Red Herring Prospectus.

**10. RISK FACTORS**

Please refer to the section titled “*Risk Factors*” beginning on Page No.28 of this Draft Red Herring Prospectus.

**11. SUMMARY OF CONTINGENT LIABILITIES**

As on the Date of this draft red herring Prospectus, the company does not have any contingent liability.

For further details, please refer to the chapter titled “*Restated Financial Statements*” beginning on Page No. 204 of this Draft Red Herring Prospectus.

## 12. SUMMARY OF RELATED PARTY TRANSACTIONS

Sr No.	Name of Related Parties	Relationship
1.	Mr. Amit Rajendraprasad Dalmia	Chairman & Managing Director
2.	Mrs. Susmita Amit Dalmia	Whole-Time Director
3.	Home Craft Online Private limited	Company in which Director has significant influence
4.	OTH Online Private limited	Company in which Director has significant influence
5.	Brand spring ventures LLP	Company in which Director has significant influence
6.	Viaton Energy Private Limited	Company in which Director has significant influence
7.	M/s. Gajanan Tubes	Company in which Director has significant influence

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

## 13. DISCLOSURE OF RELATED PARTY TRANSACTION:

(In Lakhs)

Sr.No.	Nature of transaction	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 31st March,2023
<b>1</b>	<b>Remuneration</b>			
	Amit Rajendraprasad Dalmia	12.00	12.00	8.00
	Susmita Amit Dalmia	24.00	24.00	24.00
<b>2</b>	<b>Loans Received</b>			
	Amit Rajendraprasad Dalmia	120.30	138.00	684.00
<b>3</b>	<b>Loans Repaid</b>			
	Amit Rajendraprasad Dalmia	397.32	243.49	117.10
<b>4</b>	<b>Telephone Expense</b>			
	Amit Rajendraprasad Dalmia	0.00	0.03	0.04
	Susmita Amit Dalmia	-	0.05	0.05
<b>5</b>	<b>Sales Goods</b>			
	M/s. Gajanan Tubes	0.25	0.11	-
	Viaton Energy Private Limited	26.94	431.56	-
<b>6</b>	<b>Technical Services –Local</b>			
	OTH Online Private limited	-	-	4.34

### Balances at the Year-end:

(In Lakhs)

Sr no.	Name	Nature of Transaction	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 31st March,2023
1.	Amit Rajendraprasad Dalmia	Unsecured Loan	184.41	461.41	566.90
2.	Amit Rajendraprasad Dalmia	Remuneration	0.97	0.90	0.90
3.	Susmita Amit Dalmia	Remuneration	1.73	1.44	1.60
4.	M/s. Gajanan Tubes	Trade receivable	0.05	-	-
5.	Viaton Energy Private Limited	Trade receivable	-	285.08	-

For details of Restated related party transaction, please refer chapter titled **"Restated Financial Statements"** beginning on page no. 231 of this Draft Red Herring Prospectus.



#### 14. FINANCIALS ARRANGEMENTS

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

#### 15. WEIGHTED AVERAGE PRICE OF ACQUISITION

The weighted average price of acquisition of Equity Shares by our Promoters in last one year is:

Name of the Promoters	No. of Shares acquired in last one year	Average Cost of Acquisition per Share (In Rs.)*
Mr. Amit Rajendraprasad Dalmia	69,89,726	0.18
Mrs. Susmita Amit Dalmia	1,93,009	0.00
Mr. Ruman Kailash Agarwal	4,33,115	0.00
Mr. Yogendra Vashishta	4,33,141	0.00

*\*As certified by the M/s V. K. Beswal & Associates, Chartered Accountants pursuant to their certificate date July 21, 2025.*

#### 16. AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS

The average cost of acquisition of Equity Shares for the Promoters is as follows:

Name of Promoter	No. of shares held	Average Cost of Acquisition* (in ₹)
Mr. Amit Rajendraprasad Dalmia	72,59,281	6.42
Mrs. Susmita Amit Dalmia	2,00,598	0.37
Mr. Ruman Kailash Agarwal	4,49,935	1.57
Mr. Yogendra Vashishta	4,49,962	1.57

*\* The average cost of acquisition of Equity shares by our promoters have been calculated by considering the amount paid to them to acquire and shares allotted to them as reduced by amount received on sell of shares i.e. not of sale consideration is divided by net quantity of shares acquired.*

*As certified by the M/s V. K. BESWAL & ASSOCIATES, Chartered Accountants pursuant to their certificate date July 14, 2025.*

#### 17. ISSUANCE OR PLACEMENT OF EQUITY SHARES

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

#### 18. ISSUE OF EQUITY SHARES MADE IN LAST ONE YEAR FOR CONSIDERATION OTHER THAN CASH

Except Bonus Issue of Shares as disclosed in chapter titled “**Capital Structure**” beginning on Page 68 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

#### 19. SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

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

As on date of the Draft Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

### **SECTION III- RISK FACTORS**

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 112, 128, and 236 of this Draft Red Herring Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 20 of this Draft Red Herring Prospectus.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.

#### **Materiality:**

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

1. Some events may not be material individually but may be found material collectively;
2. Some events may have material impact qualitatively instead of quantitatively; and
3. Some events may not be material at present but may have a material impact in future.

The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Encompass Design India Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

## INTERNAL RISK FACTORS

- 1. We derive a significant portion of our revenue from our trading activity, any event negatively affecting the trading activity could have a material adverse effect on our business, results of operations, financial condition and prospects.**

We derive a significant portion of our revenue from our trading activity. Although we have diversified into e-commerce support services and manufacturing of home and lifestyle products as well as food products under our own brands, our trading operations continue to contribute the majority of our revenue from operations. This heavy reliance on trading exposes us to risks associated with fluctuations in market demand, pricing pressures, regulatory changes, supply chain disruptions, and macroeconomic conditions that could negatively impact trading volumes.

Any adverse developments in the trading sector such as changes in government policies, currency volatility, supplier constraints, or weakening client demand may materially and adversely affect our business operations, financial condition, results of operations, and future prospects. Additionally, our inability or failure to attract and retain clients for our trading activities could result in reduced revenue and profitability. We cannot assure you that our efforts to diversify revenue streams through our e-commerce and manufacturing initiatives will offset any decline in trading performance.

The segment wise revenue bifurcation is given below:

(Amount in lakhs)

S. No.	Segment	Financial Year ended on March 31, 2025		Financial Year ended on March 31, 2024		Financial Year ended on March 31, 2023	
		Revenue	% Age	Revenue	% Age	Revenue	% Age
1.	Trading	2791.87	51.08%	2200.36	54.95%	1004.66	46.46%

For further details, please refer the chapter “Our Business” under the heading “Segment Wise Revenue Breakup” on page no. 128 of this Draft Red Herring Prospectus.

- 2. Trade Receivables, Inventories, Short-term loans and advances, cash and cash equivalents and other current assets form a substantial part of our total assets. Failure to manage our trade receivables, inventories and short-term loans and advances could have an adverse effect on our net sales, profitability, cash flow and liquidity.**

Our business is working capital intensive and hence, Trade Receivables, Inventories, Short-term Loans and Advances, cash and cash equivalents and other current assets form substantial part of our total assets.

(Amount in lakhs)

Particulars	For March 31, 2025	For March, 2024	For March 31, 2023
Trade Receivables	894.25	476.94	235.48
Inventories	1,086.87	509.38	1,286.13
Cash and Cash Equivalents	1,251.07	30.51	6.88
Other current assets	221.78	175.25	131.23
<b>Total (A)</b>	<b>3453.98</b>	<b>1192.08</b>	<b>1659.72</b>
<b>Total Asset</b>	<b>5,344.55</b>	<b>2,319.10</b>	<b>2,392.20</b>
<b>% of (A) /Total assets</b>	<b>64.63</b>	<b>51.40</b>	<b>69.38</b>

The results of operations of our business are dependent on our ability to effectively manage our inventory, other current assets and trade receivables. We generally procure materials on the basis of management estimates based on past requirements and future estimates. In case we fail to sell the products, we order based on the specific requirement of our customers, we may be required to write-down our inventory or create additional vendor financing, all of which could have an adverse impact on

our income and cash flows. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. We run a risk to accurately evaluate the credit worthiness of our customers moreover because they are foreign customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability. However, we confirm that the company has not faced any such instances in the past three years; but we cannot guarantee that such situations will not arise in the future.

**3. There are certain outstanding legal proceeding involving our Promoter and Promoter Entities which may adversely affect our business, financial condition and results of operations.**

There are certain proceedings pending at different levels of adjudication before various authorities, enquiry officers and appellate forums. Such proceedings could divert management time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings against our Company and Group Companies as disclosed in this Draft Red Herring Prospectus, to the extent quantifiable, have been set out below:

**Cases against our Company**

Nature of Cases	No. of outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	NIL	NIL
Statutory/ Regulatory Authorities	NIL	NIL
Taxation Matters	6	1.36
Other Litigation	NIL	NIL

**Cases filed by our Company**

Nature of Cases	No. of outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	NIL	NIL
Statutory/ Regulatory Authorities	NIL	NIL
Taxation Matters	NIL	NIL
Other Litigation	NIL	NIL

**Tax Proceedings against our Company**

Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)
Direct Tax	4	1.36
Indirect Tax	2	NIL

**Cases against our Company**

Nature of Cases	No. of outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	NIL	NIL
Statutory/ Regulatory Authorities	NIL	NIL
Taxation Matters	1	NIL
Other Litigation	NIL	NIL

**Proceedings by or against our KMPs and SMPs**

Nature of Cases	No. of outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	NIL	NIL
Statutory/ Regulatory Authorities	NIL	NIL
Taxation Matters	1	NIL
Other Litigation	NIL	NIL

For further information, please refer chapter titled “Outstanding Litigations and Material Developments” on page no. 251 of this Draft Red Herring prospectus.

4. There has been delay in filing of forms with the Government authorities as per the stipulated timelines prescribed under the respective Act. Any penalty or action taken by any regulatory authorities in future, for delay in such compliances could impact the reputation and financial position of the Company to that extent.

Our Company has incurred penalties or liabilities for delays in filing returns with certain provisions including lapses/ delays in certain filings and/or erroneous filing/ non-filing of e-forms under GST Act, Income Tax Act, and other applicable laws to it in the past years. Such delay Compliances/ erroneous filing/ may incur the penalties or liabilities which may affect the results of operations and financial conditions of the company in the near future. The details of delayed GST filings in past 3 years given below:

Place	Financial Year	Month	Due Date	Actual date of Filing	Delay Days
Punjab	2022-23	<b>GSTR 1</b>			
		Mar-2023	11-04-2023	14-04-2023	3
	2023-24	<b>GSTR 1</b>			
		Feb-2024	11-03-2024	20-03-2024	9
Maharashtra	2024-25	<b>GSTR-1</b>			
		Nov-2024	11-12-2024	12-12-2024	1
Haryana	2022-23	<b>GSTR 1</b>			
		Jan-2023	11-02-2023	27-02-2023	16
		<b>GSTR 3B</b>			
		Jan-2023	20-02-2023	27-02-2023	7
Uttar Pradesh	2023-24	<b>GSTR 3B</b>			
		Jan-2024	20-02-2024	21-02-2024	1

#### Employee Provident Fund

Financial Year	Month	Due date	Date of Credit	Number of Delay
2022-23	DEC-2022	15-01-2023	02-02-2023	17
2023-24	AUG-2023	15-09-2023	18-09-2023	3
	NOV-2023	15-12-2023	18-12-2023	3
	MAR-2024	15-04-2024	16-04-2024	1
2024-25	APR-2024	15-05-2024	18-05-2024	3
	JULY-2024	15-08-2024	16-08-2024	1

#### Employee State Insurance Corporation

Financial Year	Month	Due date	Date of Credit	Number of Delay
2022-23	APR-2022	15-05-2022	16-05-2022	1
	SEP-2022	15-10-2022	12-11-2022	27
	DEC-2022	15-01-2023	14-02-2023	29
2023-24	JAN-2024	15-02-2024	19-02-2024	4
2024-25	APR-2024	15-05-2024	16-05-2024	1

Although, our Company has paid requisite late fees for such filings, no show cause notice in respect of the same has been received by our Company till date. Further, if any such action is initiated by the regulatory authority, then our Company will have to abide by the order of such regulatory authority or pay any penalty that may be imposed by any regulatory authority's in

future for non-compliance with provisions of corporate and other law which could impact the financial position of the Company to that extent.

Reason for delays: These delays were primarily due to internal resource constraints, system-related issues during regulatory portal updates, and transitional challenges arising from changes in compliance personnel and procedures. Any penalties or regulatory actions arising from such delays in the future may adversely impact the Company's reputation and financial position.

To address these concerns, the Company has taken proactive measures, including the appointment of a dedicated compliance officer to monitor and ensure timely and accurate regulatory filings. Further, we are actively streamlining our internal processes, strengthening our compliance tracking mechanisms, and implementing automated systems to ensure greater efficiency and adherence to statutory timelines going forward.

**5. We depend upon a limited number of customers for a significant portion of our revenues. The loss of a major customer or significant reduction in demand from any of our major customers may adversely affect our business, financial condition, results of operations.**

The majority of our revenue from operations is concentrated towards a limited number of customers. The loss of our major customers or a significant reduction in demand from any of our major customers may adversely affect our revenues and profitability. We cannot assure you that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our operations and profitability.

The details of top customers and their revenue contribution for the last 3 years and stub period are as follows:

*(Amount in lakhs)*

Particulars	Financial Year ended on March 31, 2025	Financial Year ended on March 31, 2024	Financial Year ended on March 31, 2023
Top 1 Customers	626.75	905.65	430.05
% of Revenue from Operations*	11.47%	22.62%	19.89%
Top 5 Customers	2378.67	2516.77	1435.76
% of Revenue from Operations*	43.53%	62.85%	66.39%
Top 10 Customers	3635.90	3119.92	1770.61
% of Revenue from Operations*	66.53%	77.92%	81.88%

*\*Please note that the % as shown in the tables above has been derived by dividing the total amount received from the said customer with the total Revenue from operations of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.*

Revenues from any particular client may vary significantly from reporting period to reporting period depending on the nature of ongoing projects and the implementation schedule and stage of completion of such projects. Such concentration of our business on a few projects or clients may have an adverse effect on our results of operations and result in a significant reduction in the award of contracts which could also adversely affect our business if we do not achieve our expected margins or suffer losses on one or more of Projects from such clients.

Further, we cannot assure you that we can maintain the historical levels of project orders from these clients or that we will be able to find new clients in case we lose any of them. Furthermore, major events affecting our clients, such as adverse market conditions, regulatory changes, adverse cash flows, change of management, mergers and acquisitions by clients could adversely impact our business.

Our long-standing relationship with certain of our customers is a result of our timely and efficient completion of work. However, in the event we are unable to complete our projects within the duration prescribed under our contracts, or the quality of our work deteriorates, then our relationship will get strained and we may not get further orders from our current clients which could adversely affect our business. In addition, our clients may also be entitled to terminate the agreement in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions. Consequently, the loss of any of our significant clients, could have an adverse effect on our business, cash flows and results of operations.



For further details, please refer the chapter “Our Business” under the heading “Top 10 Customers” on page no. 150 of this Draft Red Herring Prospectus.

**6. *We depend upon a limited number of suppliers for providing raw materials and products. Furthermore, we have not entered into any long-term agreement or contract for providing these raw materials and products. Any dispute with one or more of them may adversely affect our business operations.***

We rely on a limited number of suppliers for the procurement of raw materials required for our manufacturing operations and for sourcing products intended for trading. This reliance exposes us to various operational and financial risks. We have not entered into any long-term supply agreements with these suppliers, and our procurement is conducted on a purchase-order basis. As a result, we are vulnerable to potential supply disruptions, changes in pricing or credit terms, and the risk of disputes with suppliers. Any such event may lead to delays in production or fulfillment of trading commitments, impacting our ability to deliver products to our customers on time.

Furthermore, the absence of long-term contractual arrangements may limit our bargaining power and expose us to unfavorable pricing or supply terms, which could adversely affect our margins and overall profitability. Given the critical role of suppliers in our supply chain, our continued success is heavily dependent on maintaining strong and stable relationships with them. Any deterioration in these relationships, or inability to secure reliable and cost-effective supply, could have a material adverse effect on our revenue, operations, and financial performance.

The details of top suppliers in terms of amount for the last 3 years and stub period are as follows:

*(Amount in lakhs)*

Particulars	Financial Year ended on March 31, 2025	Financial Year ended on March 31, 2024	Financial Year ended on March 31, 2023
Top 1 Suppliers	414.31	150.03	91.85
% of Cost of Services and Goods*	13.35%	15.06%	5.54%
Top 5 Suppliers	1339.69	409.53	363.12
% of Cost of Services and Goods*	43.18%	41.11%	21.92%
Top 10 Suppliers	1555.9	473.53	526.96
% of Cost of Services and Goods*	50.15%	47.54%	31.81%

*\*Please note that the % in the above tables are calculated as a percentage of Cost of Services and Goods based on restated financial statement.*

We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

For further details, please refer the chapter “Our Business” beginning on page no. 128 of this Draft Red Herring Prospectus.

**7. *Any disruptions to the supply, or increases in the pricing, of the raw materials and products, may adversely affect the supply and pricing of our products and, in turn, adversely affect our business, cash flows, financial condition and results of operations. Our cost of production is exposed to fluctuations in the prices of raw materials required for the manufacture as well as its availability.***

Raw materials required for our Stoa Paris & Quirk loom product lines include premium fabrics (Polyester, Cotton and Velvet), dyes and printing materials, zippers, buttons, and other accessories. Small Batch requires a wide variety of raw materials such as vegetables, fruits, spices, condiments, oils and other ingredients. We collaborate with cloud kitchens that share our commitment to premium quality and handle the sourcing of primary raw materials per our set recipes. Raw materials price volatility caused by various factors such as the quality and availability of supply, consumer demand, changes in government programs and regulatory sanctions. Our suppliers may be unable to provide us with a sufficient quantity of our raw materials at a suitable price for us to

meet the demand for our products. The prices and supply levels of raw materials are dependent on factors, which are not in our control such as general economic conditions, competition, production levels, transportation costs.

Any increase in raw material prices may affect our procurement of raw materials and will result in corresponding increases in our product costs, while the increase in the selling price of the finished products may not be in proportionate to the increase in raw material price. Such change in pricing may adversely affect our sales, cash flow and our overall profitability. Our Company's cost of raw material sold accounted for 48.54%, 46.60%, and 58.55% of our revenues from operation for the year ended March 31 2025, 2024 and 2023 respectively. If we are unable to manage these costs or increase the prices of our products to offset these increased costs, our margins, cash flows and our profitability may be adversely affected.

We currently do not have and do not intend to enter into long term contracts with any of the raw material suppliers since we typically place orders with them in advance on the basis of our anticipated requirements. The absence of long term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our consumers and which could negatively affect the overall profitability and financial performance of our business.

Our company is exposed to fluctuations in the prices of raw materials as well as its availability, as we do not enter into any supply agreements with our suppliers and all the above mentioned raw materials are bought by our Company from suppliers on an order to order basis. The prices of the various raw materials used in our manufacturing process are subject to fluctuations. We may be unable to make adequate provisions for the price fluctuations and, consequently, any adverse fluctuations that we have not factored in or provided for may adversely affect the results of our operations and our financial conditions. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. While price fluctuations occur in the ordinary course of business and have not yet resulted in any production stoppages, there can be no assurance that future volatility in raw material prices or supply disruptions will not adversely affect our operations, financial condition, and results of operations.

Although there have not been any instances in the last 3 financial years and the current financial year where we have faced a shortage of raw materials, we cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Any inability on our part to procure enough raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations.

For further details, please refer the chapter ***“Our Business”*** beginning on pages 128 of this Draft Red Herring Prospectus.

**8. *We have experienced negative cash flows as per the restated financial statements in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.***

Our Company had reported negative cash flows from investing and financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

<i>(Amount in lakhs)</i>			
Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Net Cash flow generated from Operating activities	473.80	650.29	312.08
Net Cash flow generated from Investing activities	(991.18)	(656.55)	(71.89)
Net Cash flow generated from Financing activities	1,738.03	29.89	(283.79)

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see section titled ***“Financial Information”*** and ***“Management’s Discussion and Analysis of Financial Condition and Results of Operations”*** on pages 204 and 236, respectively of this Draft Red Herring Prospectus.

**9. *Our top five states contribute major revenue for the year ended 31st March 2025, 2024 and 2023. Any loss of business from one or more of these states may adversely affect our revenues and profitability.***

Our company operates its business operations from its registered office, branch office and corporate office situated in Mumbai. However, our business operations span various regions across India. Our top five states contribute to a substantial portion of our revenues for the year ended March 31, 2025, 2024 & 2023. Any factors relating to political and geographical changes, growing competition and any change in demand may adversely affect our business. We cannot assure that we shall generate the same quantum of business, or any business at all, from these states, or our inability to acquire business from new geographical regions and loss of business from one or more of them may adversely affect our revenues and profitability.

However, we confirm that there have been no past instances in last 3 years where we failed to manage such risks effectively, but we cannot guarantee that similar challenges will not arise in the future.

State wise revenue of our Company generated from our Top five states is given below:

(Amount in lakhs)

S. No.	State	Financial Year ended on March 31, 2025		Financial Year ended on March 31, 2024		Financial Year ended on March 31, 2023	
		Revenue	% Age	Revenue	% Age	Revenue	% Age
1.	<b>Punjab</b>	2,038.68	37.30%	1,990.44	49.71%	1,039.13	48.05%
2.	<b>Maharashtra</b>	1,014.60	18.57%	466.43	11.65%	415.27	19.20%
3.	<b>Karnataka</b>	807.98	14.78%	619.22	15.46%	274.65	12.70%
4.	<b>Gujarat</b>	446.54	8.17%	42.48	1.06%	15.78	0.73%
5.	<b>Haryana</b>	254.94	4.67%	62.55	1.56%	19.73	0.91%
	<b>Total</b>	4562.74	83.49%	3181.12	79.44%	1764.56	81.60%

\* The % has been derived by dividing the total revenue generated from State with the Revenue from operations of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.

For further information, please refer to the chapter titled **“Our Business”** beginning on page 128 of this Draft Red Herring Prospectus.

**10. Our Company has applied for registration of various word mark which are not registered with the trademark registration authority, and we may be unable to protect our word mark from being infringed by others which may adversely affect our business value, financial condition and results of operations.**

Our Company has made application for registration of various word mark with the trademark registration authority under Trade Mark Act, 1999. We cannot assure you that we will be able to obtain registration against the application made for the word mark of the Company. As on the date of this Draft Red Herring Prospectus, this registration has not been granted. Certain applications are currently under “Formalities check pass” status. Consequently, we do not presently enjoy statutory protection for these word marks

There can be no assurance that the pending applications will be successful or that registration will be granted in our favour. In the absence of trademark registration, our ability to enforce our rights in these marks is limited to common law remedies such as passing off, which may not provide adequate protection. Furthermore, if a third party successfully registers a similar or identical mark, we may be precluded from asserting registered trademark rights and may be limited to seeking relief under common law.

Additionally, if our use of such unregistered marks infringes upon the intellectual property rights of third parties, we may become subject to legal proceedings or claims, which could result in significant costs, diversion of management time, and reputational harm. Any such proceedings or settlements could also require us to cease using the disputed mark or pay damages.

Moreover, we may face difficulties in monitoring and preventing unauthorized use or infringement of our intellectual property, both in India and abroad. Our efforts to protect our intellectual property may be inadequate, and we may be unable to detect or take timely action against infringement or misuse by third parties. Such circumstances could erode our brand value, affect customer perception, and materially and adversely impact our business, financial condition, and results of operations.

However, we confirm that the company has not faced any such instances in the past three years; but we cannot guarantee that such

situations will not arise in the future.

For further details, see **“Our Business – Intellectual Property”** and **“Government and Other Statutory Approvals”** on pages 159 and 272, respectively, of this Draft Red Herring Prospectus.

**11. We do not own the premises in which our registered office, Branch Office, warehouse and Manufacturing Office is located and the same is on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.**

We operate our business from various offices which are taken by our company on lease or rental basis.

S. No.	Details of the Property	Licensor/Lessor/Vendor	Area	Owned / Leased	Consideration/ Lease Rental/License Fees (in Rs.)	Use
1.	Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon(E), Mumbai 400063, Maharashtra	M/s Bhageria Industries Limited through its Authorized Signatory Krunal Sanjay Kumar Wala	1050 Square Feet	Leased	Lease Agreement dated August 8 <sup>th</sup> , 2022 between Bhageria Industries Limited and Encompass Design India Private Limited for a period of 03 years at monthly rent of Rs. 88200/- starting from August 1, 2022.	Registered Office
2.	701 Cts no. 67/ A/1/2, Simba Tower, off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063	Mr. Karwa Krishna Kumar Murlidhar	2,000 Square Feet	Leased	Lease Agreement dated 12 <sup>th</sup> May, 2023 between Mr. Karwa Krishna Kumar Murlidhar and Encompass Design India Private Limited for period of 03 years at a monthly rent of Rs. 3,85,875/- starting from 1 <sup>st</sup> April, 2023	Branch Office 1
3.	1202 Cts no. 67/ A/1/2, Simba Tower, off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063	Mrs Maheshwari Kusum Madhusudhan	1050 Square Feet	Leased	Lease Agreement dated June 27 <sup>th</sup> , 2025 between Mrs Maheshwari Kusum Madhusudhan and Encompass Design India Private Limited for a period of 03 years at monthly rent of Rs. 181913/- for the first 12 months, Rs. 191009/- for the next 12 months, Rs. 200559/- for the next 12 months starting from July 1, 2025.	Branch Office 2
4.	Gala No-7 to 10, 1st floor, Bldg No-J 09, Shree Arihant Compund,, Bhiwandi, Thane, Thane, Maharashtra, 421302	Mr. Shailesh Narshi Shah Mrs Nayna Shailesh Shah Mrs Darshini Bipin Shah Mr. Bipin Narshi Shah	9297.15 Square Feet	Leased	Lease Agreement dated 12 <sup>th</sup> Nov, 2024 between Mr. Shailesh Narshi Shah, Mrs Nayna Shailesh Shah, Mrs Darshini Bipin Shah, Mr. Bipin Narshi Shah and Encompass Design India Private Limited for period of 3 Year at a monthly rent of Rs. 87925/- starting from 1 <sup>st</sup> Sep, 2024	Warehouse

5.	Gala No-7 to 10, 1st floor, Bldg No-I 09, Shree Arihant Compund,, Bhiwandi, Thane, Maharashtra, 421302	Creative Garments through its Authorized Signatory Briendra kumar J. Agarwal	9299 Square Feet	Leased	Lease Agreement dated 28 <sup>th</sup> April, 2023 between Creative Garments and Encompass Design India Private Limited for period of 3 Year at a monthly rent of Rs. 76,188/- starting from 1st March, 2023	Manufacturing Unit
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Unless it is renewed, upon termination of the lease, we are required to return the premises of our manufacturing units and registered office to the Lessor/Licensor. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensor terminates or does not renew the agreements, we are required to vacate the said premises where operational activities are carried out. In such a situation, we have to identify and take alternative premises and enter into fresh lease or leave and license agreement at less favourable terms and conditions to shift our registered office and operations. Such a situation could result in time overruns and may affect our operations temporarily. However, we confirm that the company has not faced any such instances in the past three years; but we cannot guarantee that such situations will not arise in the future." For further information on the **"Our Business"** please refer to page 128 of this Draft Red Herring Prospectus

**12. Our lenders have charge over our movable and immovable properties in respect of finance availed by us and Unsecured loans taken by our Company can be recalled by the lenders at any time.**

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total secured loan and payable by us were ₹1110.57 lakhs as on July 16, 2025. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations.

As on July 16, 2025 our Company has unsecured loans amounting to ₹477.52 lakhs from banks that are repayable on demand to the relevant lender. These loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. In such cases, our Company may be required to repay the entirety of the unsecured loans together with accrued interest. Our Company may not be able to generate sufficient funds at short notice to be able to repay such loans and may resort to refinancing such loans at a higher rate of interest and on terms not favourable to it. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, cash flows and financial condition.

However, we confirm that the company has not faced any past instances where we default in repayment of loans availed by us; but we cannot guarantee that such situations will not occur in the future.

For further information on the **"Financial Indebtedness"** please refer to page 234 of this Draft Red Herring Prospectus.

**13. We are dependent on certain online marketplaces for the sale of our products. Any potential increase in the commission rates charged by these platforms may lead to higher selling costs, which could require us to increase the prices of our products which could adversely affect customer demand, our competitiveness, and overall financial performance.**

We primarily sell our self-manufactured products through third-party online marketplaces such as Amazon and Myntra. These platforms charge us commissions and fees for listing and selling our products, and we are subject to their terms and conditions. Any increase in the commission rates or fees charged by these platforms could result in higher operating costs for us. In order to maintain our margins, we may be compelled to increase the prices of our products, which could adversely affect customer demand, our competitiveness, and overall financial performance. Additionally, any changes in their policies, algorithms, or business practices could impact our visibility, sales volume, and profitability. Our dependence on these platforms exposes us to risks beyond our control, and any adverse developments related to them could have a material adverse effect on our business, financial condition, and results of operations. However, we confirm that the company has not faced any past instances till now; but we cannot guarantee that such situations will not arise in the future. For further information on the **"Our Business"** please refer to page 128 of this Draft Red Herring Prospectus.

**14. We may be exposed to risks arising from increases in tariff duties and changes in international trade policies, which could adversely affect our export operations and overall business performance.**

Our business involves exporting services to international markets, making us vulnerable to changes in global trade policies. Any imposition or increase in tariff duties or other trade barriers by foreign governments could significantly impact our ability to deliver services in a cost-effective manner. These factors could result in delays, order cancellations, or reduced shipment volumes, all of which may materially and adversely affect our business operations, profitability, and overall financial condition. Additionally, such developments may increase costs for our customers, reduce demand, and make our products/services less competitive internationally. Any adverse changes to international trade policies or tariffs could have a material negative impact on our revenue, operational performance, and financial condition.

However, we confirm that the company has not faced any past instances till now; but we cannot guarantee that such situations will not arise in the future.

***15. We may face the risk of third-party infringement and imitation of our product designs, which could adversely impact our brand reputation, sales, and overall business operations.***

Our business relies on the uniqueness and appeal of the designs of our manufactured products. There is a risk that third parties may attempt to copy or imitate our product designs without authorization. Such imitation could lead to market dilution, loss of competitive advantage, and potential confusion among customers. If we are unable to adequately protect our designs through legal or enforcement mechanisms, or if such protections prove insufficient, our brand reputation, customer trust, and market share could be negatively impacted. These factors may materially and adversely affect our sales, profitability, and overall business operations.

However, we confirm that the company has not faced any past instances till now; but we cannot guarantee that such situations will not arise in the future.

***16. We manufacture a wide range of products and if we are unable to sell them effectively, it could adversely impact our revenue, profitability, and overall financial performance and if we are unable to accurately identify customer demand and maintain an optimal level of inventory in our stores, our business, results of operations and cash flows may be adversely affected.***

We manufacture a wide range of home and lifestyle products such as bed sheets, curtains, comforters, table linens, and pillow covers as well as food products, particularly sauces, under our own brands. If we are unable to effectively market and sell our products through these digital platforms due to changes in consumer behavior, disruptions in online marketplace operations, increased competition, or unfavorable platform policies, it could lead to reduced sales volumes. Such disruptions may adversely affect our revenue, profitability, and overall financial performance.

Our ability to effectively forecast customer demand and trends is a critical component of our business success. While we strive to make accurate predictions to avoid both under-stocking and over-stocking, there is no guarantee that our forecasts will always be precise. The timely supply of products is essential for maintaining customer satisfaction and loyalty. Delays in product deliveries, wrong shipments, or instances of stockouts may lead to customer walkouts and lost sales, negatively impacting our reputation and financial performance. Conversely, over-stocking inventory could lead to increased capital requirements, as well as the risk of aging or obsolete inventory, which could result in significant costs, including write-offs or markdowns. Similarly, maintaining excess raw materials could lock up working capital, further straining our financial flexibility. Inaccurate demand forecasting and inefficient inventory management could materially adversely affect our business operations, financial results, and cash flows, potentially undermining investor confidence and affecting the success of our IPO.

In the past, we have experienced one or two such instances that led to slower sales, requiring us to offer steep discounts to manage inventory levels. If such disruptions become more frequent or prolonged, they could adversely affect our revenue, margins, and overall financial performance.

*For further details, please refer the chapter “Our Business” on pages 128 of this Draft Red Herring Prospectus.*

***17. Our Company does business with customers on Purchase Order basis and do not enter into any agreement with our customer and we not have fixed customer base. There can be no assurance that we may get repeat order flows from our customers.***



We engage in both the trading and e-commerce businesses, manufacturing a wide range of home and lifestyle products, as well as food products under our own brands. Therefore, we do not enter into any long term agreements with our customers. Further, we sell our manufactured products through online portals and supply products to retail customers. These platforms place orders based on demand evaluations, and there is no assurance that we will receive repeat orders from them or other customers. Although, we believe that our strong brand presence, competitive pricing, and high-quality products position us to generate ongoing demand, there is no guarantee that we will consistently secure orders or maintain a stable customer base. A reduction in orders or failure to create sufficient demand could negatively impact our revenue and profitability.

**18. *Our Manufactured products are sold under three brand, 'Stoa Paris', 'QuirkLoom' and 'Small Batch'. Any inability to effectively market our products, or any deterioration in public perception of our brand, could affect consumer demand and consequently adversely impact our business, financial condition, cash flows and results of operations.***

These brands are integral to our business strategy and our ability to attract and engage customers. As a result, our success depends on our ability to maintain and enhance the value and reputation of these brands. Maintaining, promoting, and positioning our brand will depend largely on the success of our design and marketing efforts, including advertising as well as our product innovation, product quality and sustainability initiatives.

Further, we may fail to penetrate new target markets if our marketing and advertising initiatives are not successful or not tailored in a manner to attract the customers in such target markets or if our competitor brands advertise and conduct marketing campaigns which are more effective than ours. In such cases, our brand awareness and position in the market could be adversely affected and have a direct impact on our business, results of operations and financial condition. However, we confirm that the company has not faced any past instances till now; but we cannot guarantee that such situations will not arise in the future.

For further details, please refer the chapter ***“Our Business”*** on pages 128 of this Draft Red Herring Prospectus.

**19. *We are subject to sales return risk owing due to majority of our products being sold through digital platform.***

Due to the nature of business our company is operating in, avoiding sales return is inevitable. Given abundant options of designs, patterns, colors, fits and brands, customer have an option to return the product that do not match their choice and occasion. During the year ended March 31, 2025, 2024 and 2023, sales return from customers contributed to ₹ 304.60 lakhs, ₹ 282.61 lakhs and ₹ 129.70 lakhs, constituting 16.14%, 20.60% and 15.78% of revenue from operations derive from E-commerce operations, respectively. We are required to continuously bring products that resemble to the trends and comfort of our customers. In this digital era, where a product could be brought to home with a just a click, the return procedure is also the same for the convenience of our customers. We cannot assure that in future our products will not be returned and cost for the same will be borne by the company. As a result, we may lose customers and incur liabilities for failure to execute orders, which could have a material adverse effect on our business financial condition and results of operations. For further information on the ***“Our Business”*** please refer to page 128 of this Draft Red Herring Prospectus.

**20. *Our Company is dependent on the continuing operation of our manufacturing facility.***

Any significant interruption at our manufacturing facility could have a material adverse effect on our business, results of operations and financial condition. Our Company has only one unit where the manufacturing of all our the products takes place which is located at Bhiwandi & Thane, which are subject to the normal risks of industrial production, including equipment breakdowns, labor shortages, natural disasters, industrial accidents, power interruptions etc. In case of any disruption at such facilities, it may adversely affect the manufacturing cycle, and may lead to time over-run in the execution of the project and timely delivery of our product. However, there have been no such incidents till date. Our manufacturing facility require a significant amount and continuous supply of electricity and any shortage or non-availability of electricity may adversely affect our operations.

*For further details, please refer the chapter **“Our Business”** under the heading **“Our Location”** on pages 154 of this Draft Red Herring Prospectus.*

**21. *Industrial accidents at our manufacturing facility may adversely affect our operation.***

Our manufacturing facilities are exposed to operational risks, including the possibility of accidents that may result in injury or fatality to our workers and employees, and damage to property, plant, and machinery. Such incidents could disrupt our operations, delay production, increase costs, reduce revenue, and negatively impact our ability to meet customer demand. To mitigate these risks, we have implemented safety measures such as maintaining on-site first aid facilities and securing insurance coverage for our employees and physical assets. However, while these steps reduce the risk and potential impact of such incidents, there is no

assurance that they will be sufficient in the event of a major accident or unforeseen event beyond our control. Although we have not experienced any such incidents to date, any future occurrence could have a material adverse effect on our business operations, financial performance, and reputation.

**22. *We are dependent on third party transportation providers for the delivery of our products to our customers.***

We rely substantially on third party transportation providers for the supply of our products to our customers. Transportation within the company is predominantly carried out by Transportation agencies through Road/Sea/Airways etc. In case of manufacturing, we deliver our products to the customers through the courier services. Transportation strikes / non-availability of transportation could have an adverse effect on our receipt of raw materials and our ability to deliver our products to our customers. Increase in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition. However, we confirm that the company has not faced any past instances till now; but we cannot guarantee that such situations will not arise in the future.

**23. *Information relating to the installed production capacity and capacity utilization of our production units included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the installed production capacity and capacity utilization of our units included in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management that have been considered by an independent chartered engineer while calculating the installed production capacity of, and actual production volumes at, our units. These include anticipated operations, raw material availability, expected utilization levels, scheduled maintenance downtime, downtime due to changes in stock-keeping units for specific products, unplanned breakdowns, changeovers, and projected operational efficiencies. Specifically, the following assumptions were applied in calculating the estimated annual installed production capacities of the Company's manufacturing units:

- Past experience of the management to manufacture the products
- Available orders on hand for the products
- Raw material consumption and the availability of raw materials to estimate the production of each product

The company is involved in the manufacturing of home furnishings, a Labour-intensive process where production capacity is heavily influenced by workforce efficiency, product complexity, and seasonal fluctuations in demand. To evaluate the facility's production capacity and utilization, the Chartered Engineer employed a methodology that included a review of available production data, on-site inspections, discussions with key personnel, and benchmarking against industry standards. However, the assessment is subject to certain limitations, such as variations in Labour productivity, an inconsistent product mix, possible gaps in record-keeping (particularly regarding downtime and rework), and reliance on data provided by management. Despite these challenges, the Chartered Engineer has made every effort to validate the production data by cross-referencing it with daily production records and the company's financial books.

*For further details, please refer the chapter "Our Business" under the heading "Installed capacity and Capacity Utilization" on page nos. 149 of this Draft Red Herring Prospectus.*

**24. *Our Promoter has provided personal guarantee for loans availed by us.***

Our Promoters, Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta, have provided personal guarantees to secure a significant portion of our existing borrowings and may continue to do so post-listing. In the event of a default under our loan agreements, any personal guarantees provided by our Promoters may be invoked, which could negatively impact the reputation of our Company. Additionally, we may face certain impediments in decision-making related to our Company, potentially resulting in a material adverse effect on our financial condition, business, results of operations, and prospects. However, no such instances have occurred in the past where personal guarantees given by the Promoters/Directors have been invoked.

Furthermore, our Promoters may be required to liquidate their shareholding in our Company to settle lender claims, leading to dilution of their shareholding. If our Promoters revoke their personal guarantees and we are unable to secure alternate guarantees or property satisfactory to the lenders, we may be required to repay outstanding amounts under such facilities or seek additional sources of capital, which could impact our financial condition and cash flows.

Our Promoter has provided personal guarantee in relation to certain loans availed by our Company, for details please see **“Financial Indebtedness”** on page 234 of this Draft Red Herring Prospectus.

- 25. Our Company's manufacturing activities are labour intensive and depend on availability of skilled and unskilled labourers in large numbers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected. Our business is subject to strikes, work stoppages and/or increased wage demands, as well as other disputes with our employees. Such instances may cause disruptions in our operations, which could materially adversely affect our business, financial condition and results of operations.**

Our Company has employed 90 employees as on March 31, 2025. The above includes employees in the top and middle management (including Executive Director), and also employees who are part of manufacturing unit and office staff, additionally we also engage laborers on daily wages to facilitate our manufacturing operations. Our operations and performance are labour intensive and depends on our ability to identify, attract and retain both skilled and unskilled labour. In case such labour is unavailable or we are unable to identify and retain such labourers, our business could be adversely affected. Further, there might be instances where we will need to hire additional contract labour, either for specialized jobs or during periods of high customer orders. We have not entered into any agreement for hiring additional labourers and thus availability of appropriately skilled labour cannot be guaranteed. While we have not faced any shortage of labour in last three Fiscal, any failure to hire the appropriate labour may impact the operations and impair our client relations.

Further, we may be subject to labour strikes, industrial unrest, slowdowns, and increased wage costs, which may adversely affect our business, financial conditions, cash flows and results of operations. Negative publicity arising from labour unrest could harm our reputation and relationships with key stakeholders, potentially resulting in a loss of business opportunities. While we consider our relationship with our employees to be good and there has been no such instance in the past and last three Fiscals of any disruptions in work due to disputes or other problems with our work force, we could experience disruptions in work due to disputes or other problems with our work force in future, which may adversely affect our ability to perform our business operations. . For further information on the **“Human Resource-Our Business” Section** beginning on page 157 of this Draft Red Herring Prospectus.

- 26. Our business is dependent on our product design team. Any loss of our design team or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.**

We have a dedicated design team of 4 employees who are responsible for the design of our products include Bedsheets, Curtains and Premium sauces. Our future performance will depend largely on our ability to retain the continued service of our design team. If one of our members of design team are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our production, business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition. For further information, see **“Our Management”** on page 180 of this Draft Red Herring Prospectus.

However, our business on this count has never been adversely affected till date.

- 27. We face foreign exchange risks, primarily in our export activities through services, which could materially affect our financial performance.**

We are exposed to foreign currency exchange risk as we have exported our services to foreign countries, in particular USA. We deal with customers in foreign currency and are affected with its fluctuation. For year ended March 31, 2025, 2024 and 2023, our revenue from the service segment was ₹510.23 lakhs, ₹264.35 lakhs, and ₹ 251.45 lakhs, constituting 9.34%,

6.60% and 11.63%, respectively, of our total revenue, out of which our export revenue was ₹114.80 lakhs, ₹237.84 lakhs, and ₹152.70 lakhs, constituting 2.10%, 5.94% and 7.06%, respectively, of our total revenue.

As we conduct business in foreign currencies, fluctuations in the exchange rates between the Indian Rupee and foreign currencies, especially the U.S. Dollar, can significantly impact the value of our revenues and expenses. We may experience gains or losses on foreign currency fluctuations, which have already been reflected in our financial statements. While we monitor and attempt to mitigate our exposure to foreign exchange risks through hedging and other risk management strategies, these measures may not fully protect us from significant currency fluctuations.

In the future, we anticipate continuing our export activities through services and expanding our export business through the manufacturing of home and lifestyle products, as well as food products under our own brands, which may further increase our exposure to foreign currency fluctuations. A decline in the value of the Indian Rupee relative to foreign currencies could increase the cost of our goods or services, reducing our profit margins or making our offerings less competitive in international markets.

These risks related to foreign exchange fluctuations could have a material adverse effect on our results of operations, financial condition, and overall business prospects.

***28. Orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations. Further any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on cash flows, results of operations and financial condition.***

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customer's discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed.

***29. Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event, we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected. However, we confirm that the company has not faced any past instances till now where insurance coverage is inadequate; but we cannot guarantee that such situations will not arise in the future.

*For further details, please refer to chapter — “Our Business” under sub heading “Insurance” on page no. 160 of this Draft Red Herring Prospectus.*

***30. Any failure in our quality control processes may have an adverse effect on our business, results of operations and financial condition.***

For Manufacturing of Home and Lifestyle products, the quality checks begin with the inspection of pre-treated greige fabric, and the material goes through checks at every stage of the process. For Manufacturing of Gourmet Food, our cloud kitchen partners follow a standardised quality control process where both raw materials, like fresh fruits & vegetables, and finished products are checked for its taste, viscosity, pH levels and other core specifications to ensure the product meets our standards. The finished product is further inspected at our premises for packaging and overall quality. For further details, please refer to chapter — “Our Business” on page no. 128 of this Draft Red Herring Prospectus.

Our products may contain quality issues or undetected errors or defects, especially when first introduced or when new products are developed, resulting from the design or manufacture of the product or raw materials used in the product. However, we cannot assure you that our quality control processes will not fail or the quality tests and inspections conducted by us will be accurate at all times. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality assurance procedures, negligence, human error or otherwise, may damage our products and result in deficient products. However, we confirm that the company has not faced any past instances till now; but we cannot guarantee that such situations will not arise in the future.

**31. *We face competition in our business from organized and unorganized players, which may adversely affect our business operations and financial condition.***

The market in which our Company is doing business is highly and increasingly competitive and unorganized, and our results of operations and financial condition are sensitive to, and may be materially adversely affected by competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. The apparel segment which we cater to is fragmented and continues to be dominated by unorganized suppliers. We compete primarily on the basis of quality, customer satisfaction and marketing. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences, and offer customer a wide variety of fabrics at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

**32. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategies could have an adverse effect on our business, results of operations and financial condition. The success of our business will depend greatly on our ability to effectively implement our business and growth strategies.***

Our growth strategies require us to develop and strengthen relationships with existing customers for our business who may drive high volume orders on an ongoing basis. To remain competitive, we seek to increase our business from existing customers and by adding new customers, as well as expanding into new geographical markets.

Our success in implementing our growth strategies may be affected by:

- Our ability to maintain the quality of our services;
- Our ability to increase our geographic presence;
- The general condition of the global economy (particularly of India and the other markets that we currently or may operate in);
- Our ability to compete effectively with existing and future competitors,
- Changes in the Indian or international regulatory environment applicable to us.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. While we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could adversely impact our results of operations. We expect our growth strategies to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and growth strategies could have a material adverse effect on our business, financial condition and profitability. However, we confirm that the company has not faced any past instances in last 3 years; but we cannot guarantee that such situations will not arise in the future.

**33. *Any failure or significant weakness of our internal controls system could cause operational errors or incidents of fraud, which would adversely affect our profitability and reputation.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal controls on an ongoing basis so that business units adhere to our policies, compliance requirements and internal circular guidelines. While we periodically test and update, as necessary, our internal controls systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered

and rectified.

Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. Failures or material errors in our internal controls systems may lead to deal errors, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure.

Such instances may also adversely affect our reputation, business and results of operations. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition. However, we confirm that the company has not faced any past instances in last 3 years; but we cannot guarantee that such situations will not arise in the future.

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

Our company has engaged in various transactions with our Directors, Promoters, Promoter Group members, and Group Companies are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act. These transactions encompass a range of activities, including salary/remuneration, loans and advances, reimbursement of expenses, among others.

All the related party transactions in the past were done in compliance with the Companies Act 2013 and applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

For further details, please refer to the Note-27– Related Party Disclosures on page 231 of the chapter titled “***Financial Information of the Company***” beginning on page 204 of this Draft Red Herring Prospectus.

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

As per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the appointment of a monitoring agency is mandatory only for public issues where the issue size exceeds ₹50.00 crores. Since the size of this Issue is less than ₹50.00 crores, our Company is not required to, and has not, appointed a monitoring agency to oversee the utilization of the Issue proceeds.

Accordingly, the deployment of the Issue proceeds will be at the discretion of our management and under the supervision of our Board of Directors, and will be monitored by the Audit Committee of the Company. While our Audit Committee will review the utilization of the funds, and we will disclose any material deviations to the NSE as required by applicable law, the absence of an independent monitoring agency may increase the risk of potential misallocation or inefficient use of funds.

Any deviation or perceived lack of transparency in the use of the proceeds could adversely affect investor confidence and our reputation, and may have a material adverse impact on our business, financial condition, and results of operations.

**36. *There may be potential conflicts of interest if our Promoters or Directors get involved in any business activities that compete with or are in the same line of activity as our business operations.***

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in his present position, we may not be able to replace them easily or at all. Our Promoters, have over the years-built relations with various customers and other persons who are form part of our stakeholders and are connected with us. The loss of their services could



impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

**37. *Only one Director possess experience of being on the board of any listed company.***

One of our Directors has prior experience serving on the board of a listed company. As a result, the majority of our Board may not be fully familiar with the corporate governance standards, regulatory compliances, and operational expectations applicable to a listed entity under the SEBI Listing Regulations and other applicable laws post listing of the Equity Share on the Stock Exchanges. This lack of experience may pose challenges in navigating the complex regulatory landscape and meeting the ongoing compliance requirements expected of a publicly listed company.

While we intend to strengthen our governance and compliance capabilities, including engaging qualified professionals with expertise in relevant areas, there can be no assurance that our Board's limited prior exposure to listed company responsibilities will not adversely impact our corporate governance practices, operational efficiency, or compliance posture. Any failure to meet regulatory obligations could result in penalties, reputational damage, or negatively affect investor confidence and the performance of our business.

**38. *Industry information included in this Draft Red Herring Prospectus has been derived from industry reports for which consent has been obtained. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

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

**39. *Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.***

Our Company intends to deploy and utilize Net Proceeds raised pursuant to the Initial Public Offer in the manner set out in the section titled "Objects of the Issue" on page no. 93 in the Red Herring Prospectus. In accordance with SEBI LODR Regulations and other applicable provisions, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations and it may also lead to delay in deployment of funds as per the schedule of implementation as disclosed in objects section titled "Objects of the Issue" on page no. 93 in the Draft Red Herring Prospectus. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by redeploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

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

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we were not required to incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's

attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

**41. We have issued Equity Shares during the last one year at a price that may be below the Issue Price.**

We have issued Equity Shares during the last one year at a price that may be lower than the Issue Price. As a result, investors in the current issue may acquire shares at a price higher than the price at which shares were issued previously. The equity shares issued in the last 1 year are as follows:

Date of Allotment	Number of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of allotment
May 02, 2025	1,00,35,419	10	-	Other than cash	Bonus Issue

For more information regarding the equity shares issued, please refer to the chapter titled “**Capital Structure**” on page 68 of the Draft Red Herring Prospectus.

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

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price. The average cost of acquisition of equity shares of the Promoters is as under:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Amit Rajendraprasad Dalmia	72,59,281	6.42
2.	Mrs. Susmita Amit Dalmia	2,00,598	0.37
3.	Mr. Ruman Kailash Agarwal	4,49,935	1.57
4.	Mr. Yogendra Vashishta	4,49,962	1.57

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

As certified by the M/s V. K. BESWAL & ASSOCIATES, Chartered Accountants pursuant to their certificate date July 14, 2025.

For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “**Capital Structure**” beginning on page 68 of this Draft Red Herring Prospectus.

**43. Upon completion of the Issue, our Promoter / Promoter Group may continue to retain significant control, which will allow them to influence the outcome of matters submitted to the shareholders for approval.**

After completion of the Issue, our Promoter and Promoter Group will collectively own 83,59,776 Equity shares, representing 58.94% of the total post issue Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing, or deterring any strategic decision favorable to our Company or effecting a change in control of our Company for the betterment of the stakeholders. In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

***44. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.***

Our Company requires certain statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. Further, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Furthermore, our regulatory permits and approvals are subject to numerous conditions, some of which are onerous and require us to make substantial expenditure and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of the relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on our business. If we fail to comply with all the regulations applicable to us or if the regulations governing our business or their manner of implementation change, we may incur increased costs, or be subject to penalties or may suffer a disruption in our business activities, any of which, could adversely affect our business or results of operations.

*For further details, please see “Key Industry Regulations and Policies and Government” and “Other Statutory Approvals” beginning on page nos. 164 and 272 respectively of this Draft Red Herring Prospectus.*

***45. Our success is dependent on our Promoter, management team and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our Promoter or Managing Director and Whole Time Director may have an adverse effect on our business prospects.***

Our Promoters and management team have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our Promoters who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Mr. Amit Rajendraprasad Dalmia, Managing Director and Promoter, Mrs. Susmita Amit Dalmia, Whole-time Director and Promoter, Mr. Ruman Kailash Agarwal, Whole-time Director and Promoter and Mr. Yogendra Vashishta, Promoter and Chief Strategy Officer are having experience of 27 years, 21 years, 19 years and 38 years respectively in technology, e-commerce and operations which turn out beneficial for the Company. Their extensive knowledge and established relationships with customers and other stakeholder have played a key role to our achievements.

If our Promoters are unable or unwilling to continue in their current role, finding suitable replacements may prove challenging. The loss of our Promoters could have serious consequences for our business. It could hinder our ability to execute our strategic plans and negatively impact our financial condition, operational results, and future prospects. If they leave, it could also disrupt the important relationships they've developed over the years, making it even harder for us to keep and expand our business.

Further, any inability to retain our management team, key managerial personnel and senior management may have an adverse effect on our operations. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be able to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our directors or other key personnel or an inability on our part to manage the attrition levels may materially and adversely impact our business, results of operations, financial condition and growth prospects.

*For further details of our Promoters and Management, please refer chapter titled “Our Promoters and Promoter Group” and “Our Management” beginning on Page 196 & 128 of this Draft Red Herring Prospectus.*

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

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements of our Company and of our subsidiaries and joint ventures. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

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

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

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

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

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

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

**50. *We cannot assure you that our equity shares will be listed on the Emerge Platform of NSE in a timely manner or at all, which may restrict your ability to dispose of the equity shares.***

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this Draft Red Herring Prospectus listed on EMERGE platform of NSE in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the EMERGE platform of NSE in a timely manner or at all, which may restrict your ability to dispose of the equity shares. However, even in such circumstances, the company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

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

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

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

The price of the Equity Shares on the Stock Exchange may fluctuate as a result of the factors, including

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to our Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

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

**53. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares has been determined by book building method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 100 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

1. Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
2. Changes in revenue or earnings estimates or publication of research reports by analysts;
3. Speculation in the press or investment community;
4. General market conditions; and
5. Domestic and international economic, legal and regulatory factors unrelated to our performance.

## **EXTERNAL RISK FACTORS**

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

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

**2. *Investor may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 12.5%, in excess of Rs.1,25,000.

Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

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

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include

- custom duties on imports of raw materials and components;
- Goods and Service

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

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

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

***5. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Draft Red Herring Prospectus.***

While facts and other statistics in the Draft Red Herring Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "Industry Overview" beginning on page 112 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

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

Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally,

shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**8. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

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

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

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

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

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

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

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## **SECTION IV - INTRODUCTION**

### **THE ISSUE**

The following table summarises the Issue details of this Draft Red Herring Prospectus:

Issue of Equity Shares*	Up to 37,58,400 Equity Shares of face value of ₹ 10/- each fully paid up of our company at a price of ₹ [●] per Equity share aggregating up to ₹ [●] lakhs
<b><i>The Issue consists of:</i></b>	
Fresh Issue	Up to 37,58,400 Equity Shares of face value of ₹ 10/- each fully paid up of our company at a price of ₹ [●] per Equity share aggregating up to ₹ [●] lakhs
Offer for Sale	NIL
<b><i>of which:</i></b>	
Market Maker Portion Reservation	Issue of [●] Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs
Net Issue to Public	Issue of [●] Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs
<b><i>Out of which*:</i></b>	
<b>A. QIB Portion</b>	Not more than [●] Equity Shares aggregating to ₹ [●] Lakhs
<i>Of Which</i>	
(a) Anchor Investor Portion	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
<i>Of which:</i>	
(i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion))	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
<b><i>of which*:</i></b>	
<b>B. Non-Institutional Category</b>	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>Of which:</b>	
(a) one third of the portion available to non- institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;	Up to [●] Equity Shares of face value ₹10/- each
(b) two third of the portion available to non- institutional investors shall be reserved for applicants with application size of more than ₹10 Lakhs	Up to [●] Equity Shares of face value ₹10/- each
<b>C. Individual Investor Portion</b>	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
<b><i>Pre and post-Issue Equity Shares</i></b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,04,25,144 Equity Shares of face value of ₹10/- each
<b>Equity Shares outstanding after the Issue</b>	[●] Equity Shares of face value of ₹10/- each
<b>Use of Net Proceeds</b>	Please refer “ <i>Objects of the Issue</i> ” on page 93 for further information about the use of the Net Proceeds.

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

**Notes:**






- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 09, 2025 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on July 03, 2025.
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Individual Investor Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Individual Investor Portion shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Investor Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- 4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Individual Bidders Portion and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non- institutional bidders.
- 5) In case of Non-Institutional bidders, the allocation of equity shares shall be made as follows:
  - (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; (b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs:
  - (b) Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.
  - (c) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- 7) Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled **“Issue Procedure”** beginning on page 295 of this Draft Red Herring Prospectus.

*For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on page 291 and 295, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 283.*

### **SUMMARY OF FINANCIAL INFORMATION**

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the period Financial Years ended March 31, 2025, 2024 and 2023. The Restated Financial Information referred to above is presented under the section titled “Financial Information” beginning on Page No. 204 of this Draft Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 204 and 236 respectively of this Draft Red Herring Prospectus.*

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<b>ENCOMPASS DESIGN INDIA LIMITED</b> (Formerly Encompass Design India Private. Limited) CIN: U74210MH2010PLC200672 <i>Restated Statement of Assets &amp; Liabilities</i>				
"Amount in INR in Lacs "				
Particulars	Note No	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) Shareholder's Funds</b>				
(a) Equity Share Capital	2	38.97	30.93	30.93
(b) Reserves and Surplus	3	3,218.68	1,006.55	318.65
<b>(2) Non-Current Liabilities</b>				
(a) Long-term Borrowings	4	308.69	593.26	716.90
(b) Long-term Provisions	5	21.23	12.90	10.05
(c) Deferred tax liabilities (Net)	6	104.45	89.16	
<b>(3) Current Liabilities</b>				
(a) Trade payables				
1. Total outstanding dues of micro enterprises and small enterprises	7	14.61	66.63	40.64
2. Total outstanding dues of Creditors other than micro enterprises and small enterprises	7	76.12	74.42	638.78
(b) Other current liabilities	8	163.20	179.01	603.98
(c) Short-term borrowings	9	1,117.25	212.14	30.16
(d) Short-term provisions	10	281.34	54.10	2.10
<b>Total</b>		<b>5,344.55</b>	<b>2,319.10</b>	<b>2,392.20</b>
<b>II. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant & Equipment	11A	152.52	147.84	56.70
(b) Intangible Assets	11B	1,700.80	942.72	571.38
(c) Investment	12	0.10	-	-
(c) Deferred tax Assets (Net)	6			89.31
(d) Long term loans and advances	13	37.15	36.46	15.08
<b>(2) Current assets</b>				
(a) Trade Receivables	14	894.25	476.94	235.48
(b) Inventories	15	1,086.87	509.38	1,286.13
(c) Cash and cash equivalents	16	1,251.07	30.51	6.88
(d) Other current assets	17	221.78	175.25	131.23
<b>Total</b>		<b>5,344.55</b>	<b>2,319.10</b>	<b>2,392.20</b>
"Notes ( including Significant Accounting Policies ) form an integral part of these Restated Financial Statements"				
	1			
<b>As per Our Attached Report of Even Date</b> <b>For V K BESWAL &amp; ASSOCIATES</b> <i>Chartered Accountants</i> FRN No:- 101083W KUNAL VINOD BESWAL  <b>CA Kunal V. Beswal</b> <b>Partner</b> Membership No. 131054 Place :- Mumbai Date :- 09/06/2025		<b>For and on behalf of Board of Directors of</b> <b>ENCOMPASS DESIGN INDIA LIMITED</b> (Formerly Encompass Design India Private. Limited) <div> <div> <b>AMIT DALMIA</b>    <b>Amit Dalmia</b>  <b>Director</b>            DIN: 00210919             </div> <div> <b>SUSMITA DALMIA</b>    <b>Susmita Dalmia</b>  <b>Director</b>            DIN : 02401290             </div> </div> <div> <div> <b>NIKITA DINESH CHANDAK</b>    <b>Nikita Chandak</b>  <b>Company Secretary</b>            ACS No. 55327             </div> <div> <b>TARAK AMRUTLAL NAGDA</b>    <b>Tarak Nagda</b>  <b>CFO</b> </div> </div>		

**ENCOMPASS DESIGN INDIA LIMITED**  
(Formerly Encompass Design India Private. Limited)  
CIN: U74210MH2010PLC200672  
**Restated Statement of Profit & Loss**

"Amount in INR in Lacs "

Particulars	Note No	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31st March 2023
I. Revenue from operations	18	5,464.94	4,004.18	2,162.47
II. Other Income	19	36.25	10.56	6.61
<b>III Total Income</b>		<b>5,501.19</b>	<b>4,014.74</b>	<b>2,169.09</b>
<b>IV. Expenses:</b>				
Cost of materials consumed	20	2,569.76	1,052.76	1,875.89
Changes in inventories of finished goods and Stock-in-Trade	21	83.19	813.07	(609.66)
Employee benefit expense	22	466.83	401.75	392.45
Finance cost	23	31.63	31.30	6.50
Depreciation and amortization expense	11	227.73	172.69	153.84
Other expenses	24	658.74	615.24	447.73
<b>V Total Expenses</b>		<b>4,037.86</b>	<b>3,086.81</b>	<b>2,266.74</b>
<b>VI. Profit before exceptional and extraordinary items and tax</b>	(III - IV)	<b>1,463.32</b>	<b>927.94</b>	<b>(97.66)</b>
<b>VI. Exceptional items</b>		-		
<b>VII. Profit before extraordinary items and tax</b>	(V - VI)	<b>1,463.32</b>	<b>927.94</b>	<b>(97.66)</b>
VIII. Extraordinary Items				-
<b>IX. Profit before tax</b>	(VII-VIII)	<b>1,463.32</b>	<b>927.94</b>	<b>(97.66)</b>
<b>X. Tax expense:</b>				
(1) Current tax		368.65	61.57	-
(2) Income Tax Adjustment of Earlier years		15.29	178.47	31.81
(3) Deferred tax				
<b>XI. Profit for the period / year</b>	(IX-X)	<b>1,079.38</b>	<b>687.90</b>	<b>(129.46)</b>
<b>XII. Earning per equity share of face value of INR 10 each</b>				
Basic EPS (In Rs.) and for all periods have been recasted*	28	10.39	6.68	(1.26)
Diluted EPS (In Rs.) and for all periods have been recasted*	28	10.39	6.67	(1.26)
*not annualised				
"Notes ( including Significant Accounting Policies ) form an integral part of these Restated Financial Statements"	1			

As per Our Attached Report of Even Date  
**For V K BESWAL & ASSOCIATES**  
Chartered Accountants  
FRN No.:- 101083W

**KUNAL VINOD  
BESWAL**

CA Kunal V. Beswal  
Partner  
Membership No. 131054  
Place :- Mumbai  
Date :- 09/06/2025

For and on behalf of Board of Directors of  
**ENCOMPASS DESIGN INDIA LIMITED**

**AMIT  
DALMIA**

Amit Dalmia  
Director  
DIN No. 06597817

**NIKITA  
DINESH  
CHANDAK**

Nikita Chandak  
Company Secretary  
ACS No. 55327

**SUSMITA  
AMIT  
DALMIA**

Susmita Dalmia  
Director  
DIN No. 00635105

**TARAK  
AMRUTLA  
L NAGDA**

Tarak Nagda  
CFO

**ENCOMPASS DESIGN INDIA LIMITED**  
(Formerly Encompass Design India Private. Limited)  
CIN: U74210MH2010PLC200672  
Restated Cash Flow Statement

"Amount in INR in Lacs "

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Profit before tax and before extraordinary items	1,463.32	927.94	(97.66)
<b>Adjustments for :-</b>			
Depreciation	227.73	172.69	153.84
Interest Expenses	31.63	31.30	6.50
<b>Operating profit before working capital changes</b>	<b>1,722.67</b>	<b>1,131.93</b>	<b>62.68</b>
<b>Adjustments for :-</b>			
Inventories	(577.50)	776.75	(449.61)
Trade and other receivables	(417.31)	(241.45)	30.45
Other Current assets	(46.53)	(44.02)	(5.05)
Short term Provision	1.15	2.02	-
Other Current Liabilities	(15.81)	(374.99)	470.25
Trade Payables & Other Liabilities	(50.31)	(538.38)	203.36
<b>Net (Increase) in Working Capital</b>	<b>(1,106.32)</b>	<b>(420.08)</b>	<b>249.40</b>
<b>Cash generated from / (used in) Operating Activities</b>	<b>616.36</b>	<b>711.85</b>	<b>312.08</b>
Income tax Paid	(142.55)	(61.56)	-
<b>Net Cash generated from / (utilized in) operating activities</b>	<b>473.80</b>	<b>650.29</b>	<b>312.08</b>
<b>B Cash Flow from Investing Activities:</b>			
Purchase of fixed assets & Capital Advances	(990.48)	(635.17)	(58.94)
Long-term loans and advances	(0.70)	(21.37)	(12.95)
Changes in Investment	(0.00)	-	-
<b>Net Cash used in investment activities</b>	<b>(991.18)</b>	<b>(656.55)</b>	<b>(71.89)</b>
<b>C Cash Flow from Financing Activities:</b>			
Proceeds from Issue of Share capital	1,140.79	-	-
(Repayments) of / Proceeds from Short Term borrowings	905.11	181.98	28.10
(Repayments) of / Proceeds from Long Term borrowings	(284.57)	(123.64)	(308.10)
Long term Provision	8.33	2.85	2.71
Interest Expense	(31.63)	(31.30)	(6.50)
<b>Net Cash (utilized in)/generated from financing activities</b>	<b>1,738.03</b>	<b>29.89</b>	<b>(283.79)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>1,220.65</b>	<b>23.64</b>	<b>(43.60)</b>
<b>Cash and Cash Equivalents</b>			
Opening Balance Cash & Cash Equivalents	30.51	6.88	50.48
<b>Closing Balance Cash &amp; Cash Equivalents</b>	<b>1,251.16</b>	<b>30.51</b>	<b>6.88</b>

- The above Cash Flow Statement has been prepared under the "Indirect Method" on "Statement on Cash Flow"
- Cash and Cash Equivalent at the end of the year / period consist of cash in hand and balances with banks."

As per Our Attached Report of Even Date

**For V K BESWAL & ASSOCIATES**

Chartered Accountants

FRN No.:- 101083W

**KUNAL VINOD  
BESWAL**

CA Kunal V. Beswal

Partner

Membership No. 131054

Place :- Mumbai

Date :- 09/06/2025

**For and on behalf of Board of Directors of  
ENCOMPASS DESIGN INDIA LIMITED**

**AMIT  
DALMIA**

Digitally signed  
by AMIT DALMIA  
Date: 2025.06.11  
13:27:26 +05'30'

Amit Dalmia

Director

DIN No. 06597817

**SUSMIT  
A AMIT  
DALMIA**

Digitally signed  
by SUSMITA  
Date  
2025.06.09  
17:49:35 +05'30'

Susmita Dalmia

Director

DIN No. 00635105

**NIKITA  
DINESH  
CHANDAK**

Digitally signed  
by NIKITA DINESH  
CHANDAK  
Date: 2025.06.09  
18:02:34 +05'30'

Nikita Chandak  
Company Secretary

ACS No. '55327

**TARAK  
AMRUTLA  
L NAGDA**

Digitally signed by  
TARAK AMRUTLA  
Date: 2025.06.09  
17:51:42 +05'30'

Tarak Nagda  
CFO



## **SECTION V - GENERAL INFORMATION**

Our Company was originally incorporated as “Encompass Design India Private Limited” a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 2010 issued by Registrar of Companies, Mumbai. Further, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated March 31, 2025 and consequently, the name of our Company was changed from “Encompass Design India Private Limited” to “Encompass Design India Limited” and a fresh certificate of incorporation dated May 05, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U74210MH2010PLC200672. For further details, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on Page No. 174 of this Draft Red Herring Prospectus.

<b>Registered Office</b>	Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E), Mumbai, Maharashtra, India - 400063. <b>Telephone:</b> +91- 7738988671 <b>E-mail:</b> <a href="mailto:cs@edipl.in">cs@edipl.in</a> <b>Website:</b> <a href="http://www.edipl.in">www.edipl.in</a> <b>CIN:</b> U74210MH2010PLC200672
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### **Address of Registrar of Companies**

Our Company is registered with the Registrar of Companies, Mumbai situated at the following address: 100, Everest, Marine Drive, Mumbai- 400002.

### **Designated Stock Exchange**

#### **Emerge Platform of NSE**

Exchange Plaza, Plot no. C/1,  
G Block, Bandra-Kurla Complex, Bandra  
(E) Mumbai-400051

#### **Board of Directors of our Company**

Set forth below are the details of our Board of Directors as on the date of this Draft Red Herring Prospectus:

<b>Sr. No</b>	<b>Name</b>	<b>Designation</b>	<b>DIN</b>	<b>Address</b>
1.	Mr. Amit Rajendraprasad Dalmia	Chairman and Managing Director	00210919	57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai- 400049
2.	Mrs. Susmita Amit Dalmia	Whole- time Director	02401290	57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai- 400049
3.	Mr. Ruman Kailash Agarwal	Whole- time Director	11004779	02, Lok Sagar, Plot 32/33, Sector 14, Navi Mumbai, Vashi, Thane, Maharashtra 400703
4.	Mr. Tejpal Singh	Non-Executive Director	11111989	C1-1885, Sushant City-1, Mansa Road, Kot Shamir, Bathinda, Punjab- 151001
5.	Ms. Himanshi Tiwari	Independent Director	10545195	H.NO. 268, Ward no 15, Bos Colony, Near Bora company, Maihar, Madhya Pradesh- 485771
6.	Mr. Saahil Prakash Dugar	Independent Director	01186726	902 – A Wing, Vivarea, Sane Guruji Marg, Off Jacob Circle, Mahalaxmi, Mumbai City, Maharashtra- 400011



For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 180 of the Draft Red Herring Prospectus.

Chief Financial Officer	Company Secretary & Compliance Officer
<b>Mr. Tarak Amrutlal Nagda</b> Encompass Design India Limited <b>Address:</b> Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E), Mumbai, Maharashtra, India - 400063. <b>Telephone:</b> +91 9769485486 <b>E-mail:</b> <a href="mailto:tarak@edipl.in">tarak@edipl.in</a>	<b>Mrs. Nikita Dinesh Chandak</b> Encompass Design India Limited <b>Address:</b> Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E), Mumbai, Maharashtra, India - 400063. <b>Telephone:</b> +91 7738988671 <b>E-mail:</b> <a href="mailto:cs@edipl.in">cs@edipl.in</a>

#### Investor grievances

**Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.**

All grievances relating to the issue other than the Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the Anchor Investors may be addressed to the BRLM, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

#### Details of Key Intermediaries pertaining to this Issue of our Company:

Book Running Lead Manager to the Issue	Registrar to the Issue
<b>3Dimension Capital Services Limited</b> K-37A, Basement, Kailash Colony, Near Kailash Colony Metro Station, New Delhi-110048 <b>Telephone:</b> 011-40196737 <b>Email ID:</b> <a href="mailto:info@3dcsl.com">info@3dcsl.com</a> <b>Website:</b> <a href="http://www.3dcsl.com">www.3dcsl.com</a> <b>Investor Grievance ID:</b> <a href="mailto:grievance@3dcsl.com">grievance@3dcsl.com</a> <b>Contact Person:</b> Mr. Rhydham Kapoor <b>SEBI Registration Number:</b> INM000012528	<b>MUFG Intime India Private Limited</b> C-101, 247 Park, 1st Floor, L B S Marg, Vikhroli (West), Mumbai 400083, (Maharashtra), India. <b>Telephone:</b> +91 810 811 4949 <b>Email Id:</b> <a href="mailto:edil.smeipo@in.mpms.mufg.com">edil.smeipo@in.mpms.mufg.com</a> <b>Investor Grievance e-mail:</b> <a href="mailto:edil.smeipo@in.mpms.mufg.com">edil.smeipo@in.mpms.mufg.com</a> <b>Website:</b> <a href="http://www.in.mpms.mufg.com">www.in.mpms.mufg.com</a> <b>Contact Person:</b> Mr. Shanti Gopalkrishnan <b>SEBI registration number:</b> INR000004058 <b>CIN:</b> U67190MH1999PTC118368
Legal Advisor to the Issue	Statutory and Peer Reviewed Auditor of our Company
<b>A Biz Chancellor Law LLP</b> C-97, Basement, Lajpat Nagar 2, New Delhi-110024 <b>Branch Office:</b> Office No 9, 1 Birbal Road, Jangpura Ext. New Delhi-110014 <b>Tel No:</b> +91-8882017384 <b>Email:</b> <a href="mailto:abizchancellor@gmail.com">abizchancellor@gmail.com</a> <b>Contact Person:</b> Adv. Parvindra Nautiyal <b>License/ Registration No:</b> D/958/2020	<b>M/s. V.K. Beswal &amp; Associates, Chartered Accountants</b> 4 <sup>th</sup> Floor, 409, Rewa Chambers, Behind Income Tax Building, 31, New Marine Lines, Mumbai- 400020 <b>Tel No:</b> 022-43455656 <b>Email:</b> <a href="mailto:kb@vkbeswal.co">kb@vkbeswal.co</a> <b>Contact Person:</b> CA Kunal Vinod Beswal <b>Membership No.:</b> 131054 <b>FRN No.:</b> 101083 <b>Peer review Certificate No.:</b> 017422

### Bankers to our Company

#### Union Bank of India

84, Raj Mahal Building, Veer Nariman Road, Mumbai- 400020

**Tel No:** +919372131950

**Email:** [ubin0531952@unionbankofindia.bank](mailto:ubin0531952@unionbankofindia.bank)

**Contact Person:** Anshuman Giri

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

#### Bank of Maharashtra

Filmcity branch, Goregaon East, Mumbai, 400063

**Tel No:** 8657798640

**Email:** [Bom978@mahabank.co.in](mailto:Bom978@mahabank.co.in)

**Contact Person:** Manish Kumar

**Website:** <https://bankofMaharashtra.in>

Banker to the Issue*	Sponsor Bank*
[•]	[•]
Refund Bank*	Syndicate Member*
[•]	[•]
Sub-Syndicate Member*	
[•]	

\*The Banker to the Issue, Refund Bank, Sponsor Bank, Syndicate Member and Sub-Syndicate Member shall be appointed prior to filing of the Prospectus with the RoC.

### Designated Intermediaries

#### Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>)

and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

#### SCSBs enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

#### Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) as updated from time to time.

#### Registrar and Share Transfer Agent

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of National Stock Exchange of India Limited at [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm) as updated from time to time.

### **Collecting Depository Participants**

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

### **IPO Grading**

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

### **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Brokers to the Issue**

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

### **Debenture Trustees**

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

### **Monitoring Agency**

As the Net Proceeds of the Issue will be less than 5,000 Lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### **Appraising Entity**

None of the objects for which the Net Proceeds will be utilized have been appraised by any agency.

### **Expert Opinion**

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

Our Company has received written consent dated May 12, 2025 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated June 09, 2025 on our restated financial information; and (ii) its report dated July 21, 2025 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our company has engaged Garg and Associates, a reputable firm of Chartered Engineers, to assess the capacity utilization of our manufacturing unit and evaluate the condition and adequacy of our plant and machinery. This expert opinion has provided us with critical insights into our current operational efficiency and the capacity of our existing infrastructure to support our future growth objectives.

### **Inter-se Allocation of Responsibilities**

3Dimension Capital Services Limited being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

### **Filing**

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of Draft Red Herring Prospectus shall be furnished to the Board. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of this Draft Red Herring Prospectus, will be filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts and documents will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### Changes in Auditors during the last three years

There has been no change in the Auditors of our Company during the last three years.

### BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of the English national newspaper and all editions of Hindi national newspaper and in editions of regional newspaper at least two working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager, in this case being 3Dimension Capital Services Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non- Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, other than Anchor Investors are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Individual Bidders who applies for minimum application size can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date.

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled **“Issue Procedure”** beginning on page 295 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled **“Issue Procedure”** on page 295 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

#### Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled **“Issue Procedure”** on page 295 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;
- Bid/Issue Program:

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

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement



of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

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

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

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

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment;

## UNDERWRITING AGREEMENT

After the determination of the Price Band, but prior to the filing of the Red Herring Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue and we shall disclose the details of signed underwriting agreement in the Red Herring Prospectus. The Underwriting Agreement is dated [●]

Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein:

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company, Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Name, address, telephone number and e-mail address of the Underwriters	*Indicative Number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue size
[●]	[●]	[●]	[●]

*\*Includes [●] Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above- mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above- mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

#### DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker for fulfilling the Market Making obligations under this Issue:

Name, address, telephone number and e-mail address of the Market Maker	Indicative Number of Shares	Amount	% of the total Issue size
[●]	[●]	[●]	[●]

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

[●], registered with EMERGE Platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker shall have the right to terminate said arrangement by giving three month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.
11. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in



replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market

Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

12. **Risk containment measures and monitoring for Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the National Stock Exchange of India Limited Main Board viz., Mark- to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
13. **Punitive Action in case of default by Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non- compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
14. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
15. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
16. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

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

#### Withdrawal of the Offer

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Offer at any time before the Bid/ Offer Opening Date without assigning any reason thereof.

If our Company withdraws the Offer any-time after the Bid/ Offer Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Offer advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar

to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraws the Offer after the Bid/ Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will have to file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus/ Prospectus with RoC.

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## **SECTION VI – CAPITAL STRUCTURE**

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

(In Lakhs, except share data)

Sr. No.	Particulars	Aggregate nominal value (in ₹)	Aggregate value at Issue Price* (in ₹)
<b>A.</b>	<b>Authorized Share Capital</b>		
	2,00,00,000 Equity Shares of face value of ₹ 10/- each	2000.00	[●]
<b>B.</b>	<b>Issued, Subscribed and Paid-up share Capital before the Issue*</b>		
	1,04,25,144 Equity Shares of face value of ₹ 10/- each	1042.51	[●]
<b>C.</b>	<b>Present Issue in terms of this Draft Red Herring Prospectus</b>		
	Fresh Issue of upto 37,58,400 Equity Shares of face value of ₹ 10/- each at a Premium of ₹ [●] per share	[●]	[●]
	<i>Which Comprises of:</i>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	Upto [●] Equity Shares of face value of ₹ 10/- each at a price of ₹[●] per Equity Share to the Public	[●]	[●]
<b>E.</b>	<b>Net Issue to the Public</b>		
	Upto [●] Equity Shares of face value of ₹ 10/- each at a price of ₹[●] per Equity Share to the Public	[●]	[●]
	<i>Of which</i>		
	i. At least [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Individual Investors who applies for minimum application size	[●]	[●]
	ii. At least [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Non-Institutional Investors**	[●]	[●]
	iii. Not more than [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds.	[●]	[●]
<b>F.</b>	<b>Issued, Subscribed and Paid-up share Capital after the Issue</b>		
	Upto [●] Equity Shares of face value of ₹ 10/- each***	[●]	[●]
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Draft Red Herring Prospectus)	961.93	
	After the Issue		[●]

\*The present issue has been authorized pursuant to a resolution of our Board dated June 09, 2025 and a special resolution of our Shareholders at an Extra-Ordinary General Meeting dated July 03, 2025 under Section 62(1)(c) of the Companies Act, 2013

\*\*The allocation in the non-institutional investors' category shall be as follows:

- (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;
- (b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs

\*\*\*To be updated upon the finalization of the Issue Price.

## CLASS OF SHARES

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

## NOTES TO CAPITAL

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value (₹)	Cumulative Authorized Share Capital (₹)	Date of Meeting	Whether AGM EGM
1.	On Incorporation Authorized share capital is divided into 50,000 Equity Shares of Rs. 10 each.	50,000	10	5,00,000	Incorporation	N.A
2.	Increase in Authorized Capital from ₹5.00 Lakhs divided into 50,000 Equity Shares of Rs. 10 each to ₹30.00 Lakhs divided into 2,77,800 Equity Shares of Rs. 10 each and 22,200 Preference Shares of Rs.10 each.	3,00,000	10	30,00,000	May 10, 2013	EGM
3.	Increase in Authorized Capital from ₹30.00 Lakhs divided into 2,77,800 Equity Shares of Rs. 10 each and 22,200 Preference Shares of Rs.10 each to ₹35.50 Lakhs divided into 2,77,800 Equity Shares of Rs. 10 each and 77,200 Preference Shares of Rs.10 each.	3,55,000	10	35,50,000	August 10, 2014	EGM
4.	Increase in Authorized Capital from ₹35.50 Lakhs divided into 2,77,800 Equity Shares of Rs. 10 each and 77,200 Preference Shares of Rs.10 each to ₹45.00 Lakhs divided into 3,00,000 Equity Shares of Rs. 10 each and 1,50,000 Preference Shares of Rs.10 each.	4,50,000	10	45,00,000	July 02, 2015	EGM
5.	Increase in Authorized Capital from ₹45.00 Lakhs divided into 3,00,000 Equity Shares Rs. 10 each and 1,50,000 Preference Shares of Rs.10 each to ₹2000.00 Lakhs divided into 1,98,50,000 Equity Shares of Rs. 10 each and 1,50,000 Preference Shares of Rs.10 each	2,00,00,000	10	20,00,00,000	December 08, 2024	EGM

## 1. Changes in Authorized Equity Share Capital of our Company

## 2. Share Capital History of our Company

a. The history of the equity shares capital of our Company is disclosed below:

Date of Allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (including Premium if applicable (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Shares	Cumulative paid-up Share capital (₹)
Upon Incorporation	10,000	10	-	Cash	Subscriber to the Memorandum of Association (i)	10,000	1,00,000
March 27, 2014	1,84,489	10	10	Cash	Right Issue (ii)	1,94,489	19,44,890
July 04, 2015	19,750	10	10	Cash	Right Issue (iii)	2,14,239	21,42,390
September 11, 2015	40	10	10	Cash	Right Issue (iv)	2,14,279	21,42,790
December 24, 2015	10	10	10	Cash	Right Issue (v)	2,14,289	21,42,890
September 11, 2021	48,275	10	N.A	Other than Cash	Conversion of Preference Share into Equity Shares (vi)	2,62,564	26,25,460
March 26, 2024	33,541	10	N.A	Other than Cash	Conversion of Preference Share into Equity Shares (vii)	2,96,105	29,60,870
May 14, 2024	20	10	1,230	Cash	Right Issue (viii)	2,96,125	29,61,250
June 12, 2024	20	10	1,230	Cash	Right Issue (ix)	2,96,145	29,61,450
December 11, 2024	69,887	10	N.A	Other than Cash	Conversion of Preference Share into Equity Shares (x and xi)	3,66,032	36,60,320
February 14, 2025	23,693	10	1912	Cash	Private Placement (xii)	3,89,725	38,97,250
May 02, 2025	1,00,35,419	10	N.A	Other than Cash	Bonus Issue (xiii)	1,04,25,144	10,42,51,440

**b. The history of the Preference shares capital of our Company is disclosed below:**

As of the date of this Draft Red Herring Prospectus, our Company has no outstanding preference share capital. The preference shares issued by the Company from time to time were converted into equity shares in accordance with the applicable terms, with the conversion ratios determined and disclosed at the time of each conversion. Further details on the historical issuance and capital structure of preference shares are provided below:

Date of Allotment	Number of Preference Shares allotted	Face value (₹)	Issue Price	Nature of Consideration	Nature of allotment	Cumulative number of Preference Shares	Cumulative paid-up Preference Share capital (₹)	Conversion Ratio(Equity Shares: Preference Shares)*	Number of Equity Shares to be allotted post conversion
March 27, 2014	22,176	10	562.50	Cash	Right Issue (xiv)	22,176	2,21,760	-	-
July 03, 2014	5,556	10	562.50	Cash	Right Issue (xv)	27,732	2,77,320	-	-
February 20, 2015	23,040	10	651	Cash	Right Issue (xvi)	50,772	5,07,720	-	-
April 17 2015	15,360	10	651	Cash	Right Issue (xvii)	66,132	6,61,320	-	-
July 04, 2015	6,618	10	1511	Cash	Right Issue (xviii)	72,750	7,27,500	-	-
September 11, 2015	13,205	10	1511	Cash	Right Issue (xix)	85,955	8,59,550	-	-
December 24, 2015	2,628	10	1511	Cash	Right Issue (xx)	88,583	8,85,830	-	-
January 27, 2016	2,978	10	1511	Cash	Right Issue (xxi)	91,561	9,15,610	-	-
April 08, 2016	3,112	10	1511	Cash	Right Issue (xxii)	94,673	9,46,730	-	-
October 05, 2016	331	10	1511	Cash	Right Issue (xxiii)	95,004	9,50,040	-	-
September 11, 2021	(48,275)	10	N.A	Other than Cash	Conversion of Preference Share into Equity Shares (xxiv)	46,729	4,67,470	1:1	48,275
March 26, 2024	(33,541)	10	N.A	Other than Cash	Conversion of Preference Share into Equity Shares (xxv)	13,188	1,32,060	1:1	33,541
May 08, 2024 (Pre-Series A CCPS)	16,260	10	1230	Cash	Right Issue (xxvi)	29,448	2,94,480	-	-

May 14, 2024 (Pre-Series A CCPS)	22,338	10	1,230	Cash	Right Issue (xxvii)	51,786	5,17,860	-	-
June 12, 2024 (Pre-Series A CCPS)	24,371	10	1230	Cash	Right Issue (xxviii)	76,157	7,61,570	-	-
December 11, 2024	(13,188)	10	N.A	Other than Cash	Conversion of Preference Share into Equity Shares (xxix)	62,969	6,29,690	1:1	13,188
December 11, 2024 (Pre-Series A CCPS)	(62,969)	10	N.A	Other than Cash	Conversion of Preference Share into Equity Shares (xxx)	NIL	NIL	0.9004:1	56,699

i. Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of Face Value of ₹ 10.00 each, details of which are given below:

Sr. No.	Names of Allottees	Number of Equity Shares
1.	Mr. Rahul Narendra Mehta	5,000
2.	Mr. Amit Rajendraprasad Dalmia	5,000
	<b>Total</b>	<b>10,000</b>

ii. Allotment of 1,84,489 Equity Shares, having Face Value of ₹10.00 each on Right Issue Basis at the Offer Price of ₹10 on March 27, 2014 as per the details given below:

Sr. No.	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	Mr. Vijay Kumar Agarwal	1,34,389
2.	Mr. Amit Rajendraprasad Dalmia	47,500
3.	Mrs. Susmita Amit Dalmia	2,500
4.	IL and FS Trust Company Limited Trustee Of Blume Venture Fund I	100
	<b>Total</b>	<b>1,84,489</b>

iii. Allotment of 19,750 Equity Shares, having Face Value of ₹10.00 each on Right Issue Basis at the Offer Price of ₹10 on July 04, 2015 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	Mr. Amit Rajendraprasad Dalmia	19,750
	<b>Total</b>	<b>19,750</b>

iv. Allotment of 40 Equity Shares, having Face Value of ₹10.00 each on Right Issue Basis at the Offer Price of ₹10 on September 11, 2015 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	M/s. Advik Holdings Pvt Ltd.	10
2.	M/s. Texport Industries Pvt Ltd	10
3.	M/s. Girisons Retailing Pvt Ltd	10
4.	Mr. Pankaj kajaria	10
	<b>Total</b>	<b>40</b>

v. Allotment of 10 Equity Shares, having Face Value of ₹10.00 each on Right Issue Basis at the Offer Price of ₹10 on December 24, 2015 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	Mr. Jiby Thomas James	10
	<b>Total</b>	<b>10</b>



- vi. Conversion of 48,275 Convertible Preference Shares into Equity Shares ranking pari-passu with existing equity shares in the Ratio of 1:1 on September 11, 2021 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	Mr. Vijay Kumar Agarwal	7,629
2.	Mr. Arunanshu Agarwal	40,646
	<b>Total(A)</b>	<b>48,275</b>
<b>Preference Share (B)</b>		
1.	Mr. Vijay Kumar Agarwal	(7,629)
2.	Mr. Arunanshu Agarwal	(40,646)
	<b>Total (B)</b>	<b>(48,275)</b>

- vii. Conversion of 33,541 Preference Shares into Equity Shares in the Ratio of 1:1 on March 26, 2024 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	M/s Vistra ITCL (India) Ltd. (Earlier known as IL & FS Trust company Ltd)	33,541
	<b>Total(A)</b>	<b>33,541</b>
<b>Preference Share (B)</b>		
1.	M/s Vistra ITCL (India) Ltd. (Earlier known as IL & FS Trust company Ltd)	(33,541)
	<b>Total (B)</b>	<b>(33,541)</b>

- viii. Allotment of 20 Equity Shares, having Face Value of ₹10.00 each Right Issue Basis at the Offer Price of ₹1,230 on May 14, 2024 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	Mr. Anurag Goel	10
2.	Mr. Gautam Dalmia	10
	<b>Total</b>	<b>20</b>

- ix. Allotment of 20 Equity Shares, having Face Value of ₹10.00 each on Right Issue Basis at the Offer Price of ₹1,230 on June 12, 2024 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	Mr. Gaurav Deepak	10
2.	M/s. Ameyasoft Technologies Private Limited	10
	<b>Total</b>	<b>20</b>

- x. Conversion of 13,188 Preference Shares into Equity Shares in the Ratio of 1:1 on December 11, 2024 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	M/s. Advik Holdings Private Limited	3,465
2.	Mrs. Manjusha Kajaria	3,465
3.	M/s. Girisons Retailing Private Limited	1,810
4.	Mr. Jiby Thomas	983
5.	M/s. Texport Industries Private Limited	3,465
	<b>Total (A)</b>	<b>13,188</b>

<b>Preference Share (B)</b>		
	M/s. Advik Holdings Private Limited	(3,465)
	Mrs. Manjusha Kajaria	(3,465)
	M/s. Girisons Retailing Private Limited	(1,810)
	Mr. Jiby Thomas	(983)
	M/s. Texport Industries Private Limited	(3,465)
	<b>Total (B)</b>	<b>(13,188)</b>

**xi. Conversion of 62,969 Pre-Series A Compulsory Convertible Preference shares into Equity Shares in the Ratio of 0.9004:1 on December 11, 2024 as per the details given below:**

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	Mr. Amit Rajendraprasad Dalmia	14,641
2.	Mr. Anurag Goel	14,632
3.	Mr. Gautam Dalmia	3,652
4.	Mr. Gaurav Deepak	14,632
5.	M/s. Ameyasoft Technologies Private Limited	7,311
6.	M/s. Texport Industries Private Limited	1,831
7.	<b>Total (A)</b>	<b>56,699</b>
<b>Preference Share (B)</b>		
1.	Mr. Amit Rajendraprasad Dalmia	(16,260)
2.	Mr. Anurag Goel	(16,250)
3.	Mr. Gautam Dalmia	(4,055)
4.	Mr. Gaurav Deepak	(16,251)
5.	M/s. Ameyasoft Technologies Private Limited	(8,120)
6.	M/s. Texport Industries Private Limited	(2,033)
7.	<b>Total (B)</b>	<b>(62,969)</b>

**xii. Allotment of 23,693 on Private Placement Basis at the Offer Price of ₹1912 on February 14, 2025 as per the details given below:**

Sr. No	Names of Allottees	Number of Equity Shares
1.	Umesh Bikhchand Bijlani	2620
2.	Suman Agarwal	1308
3.	Ayush Gupta	1308
4.	Usha Modi	1308
5.	Clinch Solution PMS LLP	5232
6.	Kavita Sidharth More	1850
7.	Atul Kasliwal	1308
8.	Ashish Jain HUF	1050
9.	Akash Kumar Jain	1050
10.	Jain Priyash	1050
11.	Siddharth Kasliwal	1308
12.	Nemil Hareesh Mehta HUF	1308
13.	Riddhi Kasliwal	785
14.	Anshita Jain	1308
15.	Sangeeta Kasliwal	900
	<b>Total</b>	<b>23,693</b>

**xiii. Allotment of 1,00,35,419 Equity Shares on May 02, 2025, with a Face Value of ₹ 10.00 each pursuant to Bonus Issue in the ratio of 25.75:1 meaning 25.75 Bonus Equity Shares for every 1 equity share held as on record date as per details given below:**

Sr. No	Names of Allottees	Number of Equity Shares
1.	Mr. Amit Rajendraprasad Dalmia	69,87,906
2.	Mrs. Susmita Amit Dalmia	1,93,099
3.	M/s. Texport Industries Private Limited	1,36,630

4.	Mrs. Manjusha Kajaria	89,481
5.	Mr. Jiby Thomas	25,570
6.	M/s. Bennett Coleman & Company Ltd	26
7.	Mr. Yogendra Vashishta	4,33,141
8.	Mr. Ruman Kailash Agarwal	4,33,115
9.	Anurag Goel	4,66,513
10.	Gautam Dalmia	94,271
11.	Gaurav Deepak	3,77,057
12.	Ameyasoft Technologies Private Limited	1,88,516
13.	Umesh Bikhchand Bijlani	67,465
14.	Suman Agarwal	33,681
15.	Ayush Gupta	33,681
16.	Usha Modi	33,681
17.	Clinch Solution PMS LLP	1,34,724
18.	Kavita Sidharth More	47,638
19.	Atul Kasliwal	33,681
20.	Ashish Jain HUF	27,037
21.	Akash Kumar Jain	27,037
22.	Jain Priyash	27,037
23.	Siddharth Kasliwal	33,681
24.	Nemil Haresh Mehta HUF	33,681
25.	Riddhi Kasliwal	20,214
26.	Anshita Jain	33,681
27.	Sangeeta Kasliwal	23,175
	<b>Total</b>	<b>1,00,35,419</b>

**xiv. Allotment of 22,176 Optionally Convertible 6% Redeemable Non- Cumulative Preference Shares on Right Issue Basis at the Offer Price of ₹562.50 on March 27, 2014 as per the details given below:**

Sr.No	Names of Allottees	Number of Shares
1.	Mr. Vijay Kumar Agarwal	5,511
2.	IL and FS Trust Company Limited Trustee Of Blume Venture Fund I	16,665
	<b>Total</b>	<b>22,176</b>

**xv. Allotment of 5,556 Optionally Convertible 6% Redeemable Non- Cumulative Preference Shares on Right Issue Basis at the Offer Price of ₹562.50 on July 03, 2014 as per the details given below:**

Sr. No	Names of Allottees	Number of Preference Share
1.	IL and FS Trust Company Limited Trustee Of Blume Venture Fund I	5,556
	<b>Total</b>	<b>5,556</b>

**xvi. Allotment of 23,040 Optionally Convertible 6% Redeemable Non- Cumulative Preference Shares on Right Issue Basis at the Offer Price of ₹651 on February 20, 2015 as per the details given:**

Sr. No	Names of Allottees	Number of Preference Share
1	Mr. Arunanshu Agarwal	15,360
2	IL and FS Trust Company Limited Trustee Of Blume Venture Fund I	7,680
	<b>Total</b>	<b>23,040</b>

**xvii. Allotment of 15,360 Optionally Convertible 6% Redeemable Non- Cumulative Preference Shares on Right Issue Basis at the Offer Price of ₹651 on April 17, 2015 as per the details given:**

Sr. No	Names of Allottees	Number of Preference Share
1	Mr. Arunanshu Agarwal	15,360
	<b>Total</b>	<b>15,360</b>

**xviii. Allotment of 6,618 Compulsorily Convertible Preference Shares on Right Issue Basis at the Offer Price of ₹1,511 on July 04, 2015 as per the details given:**

Sr. No	Names of Allottees	Number of Preference Share
1.	Mr. Arunanshu Agarwal	6,618

	<b>Total</b>	<b>6,618</b>
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- xix. Allotment of 13,205 Compulsorily Convertible Preference Shares on Right Issue Basis at the Offer Price of ₹1,511 on September 11, 2015 as per the details given:

Sr. No	Names of Allottees	Number of Preference Share
1	Advik Holdings Private Limited	1654
2.	Texport Industries Private Limited	3299
3.	Pankaj Kajaria	3299
4.	Girisons Retailing Private Limited	1644
5.	Il And Fs Trust Company Limited (Trustee Of Blume Venture Fund I)	3309
	<b>Total</b>	<b>13,205</b>

- xx. Allotment of 2,628 Compulsorily Convertible Preference Shares on Right Issue Basis at the Offer Price of ₹1,511 on December 24, 2015 as per the details given:

Sr. No	Names of Allottees	Number of Preference Share
1	Advik Holdings Private Limited	1645
2.	Jiby Thomas James	983
	<b>Total</b>	<b>2,628</b>

- xxi. Allotment of 2,978 Compulsory Convertible Preference shares on Right Issue Basis at the Offer Price of ₹1511 on January 27, 2016 as per the details given below:

Sr. No	Names of Allottees	Number of Preference Shares
1.	Mr. Arunanshu Agarwal	2,978
	<b>Total</b>	<b>2,978</b>

- xxii. Allotment of 3,112 Compulsory Convertible Preference shares on Right Issue Basis at the Offer Price of ₹1511 on April 08, 2016 as per the details given below:

Sr. No	Names of Allottees	Number of Preference Shares
1.	Mr. Vijay Kumar Agarwal	2,118
2.	Mr. Arunanshu Agarwal	330
3.	M/s. Advik Holdings Pvt Ltd.	166
4.	M/s. Texport Industries Pvt Ltd	166
5.	M/s. Girisons Retailing Pvt Ltd	166
6.	Mr. Pankaj Padma Kumar Kajaria	166
	<b>Total</b>	<b>3,112</b>

- xxiii. Allotment of 331 Compulsory Convertible Preference shares on Right Issue Basis at the Offer Price of ₹1511 on October 05, 2016 as per the details given below:

Sr. No	Names of Allottees	Number of Preference Shares
1.	IL & FS Trust company Ltd. (Trustee of Blume Venture Fund)	331
	<b>Total</b>	<b>331</b>

- xxiv. Conversion of 48,275 Convertible Preference Shares into Equity Shares ranking pari-passu with existing equity shares in the Ratio of 1:1 on September 11, 2021 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	Mr. Vijay Kumar Agarwal	7,629
2.	Mr. Arunanshu Agarwal	40,646
	<b>Total(A)</b>	<b>48,275</b>
<b>Preference Share (B)</b>		
1.	Mr. Vijay Kumar Agarwal	(7,629)
2.	Mr. Arunanshu Agarwal	(40,646)

	<b>Total (B)</b>	<b>(48,275)</b>
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xxv. Conversion of 33,541 Preference Shares into Equity Shares in the Ratio of 1:1 on March 26, 2024 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	M/s Vistra ITCL (India) Ltd. (Earlier known as IL & FS Trust company Ltd)	33,541
	<b>Total(A)</b>	<b>33,541</b>
<b>Preference Share (B)</b>		
1.	M/s Vistra ITCL (India) Ltd. (Earlier known as IL & FS Trust company Ltd)	(33,541)
	<b>Total (B)</b>	<b>(33,541)</b>

xxvi. Allotment of 16,260 Pre-Series A Compulsory Convertible Preference shares on Right Issue Basis at the Offer Price of ₹1230 on May 08, 2024 as per the details given below:

Sr. No	Names of Allottees	Number of Preference Shares
1.	Mr. Amit Rajendraprasad Dalmia	16,260
	<b>Total</b>	<b>16,260</b>

xxvii. Allotment of 22,338 Pre-Series A Compulsory Convertible Preference on Right Issue Basis at the Offer Price of ₹1230 on May 14, 2024 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
1.	Mr. Anurag Goel	16,250
2.	Mr. Gautam Dalmia	4,055
3.	M/s. Texport Industries Private Limited	2,033
	<b>Total</b>	<b>22,338</b>

xxviii. Allotment of 24,371 Pre-Series A Compulsory Convertible Preference on Right Issue Basis at the Offer Price of ₹1230 on June 12, 2024 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
1.	Mr. Gaurav Deepak	16,251
2.	M/s. Ameyasoft Technologies Private Limited	8,120
	<b>Total</b>	<b>24,371</b>

xxix. Conversion of 13,188 Preference Shares into Equity Shares in the Ratio of 1:1 on December 11, 2024 as per the details given below:

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	M/s. Advik Holdings Private Limited	3,465
2.	Mrs. Manjusha Kajaria	3,465
3.	M/s. Girisons Retailing Private Limited	1,810
4.	Mr. Jiby Thomas	983
5.	M/s. Texport Industries Private Limited	3,465
	<b>Total (A)</b>	<b>13,188</b>
<b>Preference Share (B)</b>		
1.	M/s. Advik Holdings Private Limited	(3,465)
2.	Mrs. Manjusha Kajaria	(3,465)
3.	M/s. Girisons Retailing Private Limited	(1,810)
4.	Mr. Jiby Thomas	(983)
5.	M/s. Texport Industries Private Limited	(3,465)
	<b>Total (B)</b>	<b>(13,188)</b>

**xxx. Conversion of 62,969 Pre-Series A Compulsory Convertible Preference shares into Equity Shares in the Ratio of 0.9004:1 on December 11, 2024 as per the details given below:**

Sr. No	Names of Allottees	Number of Shares
<b>Equity Shares (A)</b>		
1.	Mr. Amit Rajendraprasad Dalmia	14,641
2.	Mr. Anurag Goel	14,632
3.	Mr. Gautam Dalmia	3,652
4.	Mr. Gaurav Deepak	14,632
5.	M/s. Ameyasoft Technologies Private Limited	7,311
6.	M/s. Texport Industries Private Limited	1,831
7.	<b>Total (A)</b>	<b>56,699</b>
<b>Preference Share (B)</b>		
1.	Mr. Amit Rajendraprasad Dalmia	(16,260)
2.	Mr. Anurag Goel	(16,250)
3.	Mr. Gautam Dalmia	(4,055)
4.	Mr. Gaurav Deepak	(16,251)
5.	M/s. Ameyasoft Technologies Private Limited	(8,120)
6.	M/s. Texport Industries Private Limited	(2,033)
7.	<b>Total (B)</b>	<b>(62,969)</b>

3. As on date of this Draft Red Herring Prospectus, our Company has only one class of shares, i.e., Equity Shares of ₹10.00 each. The Company had another class of shares i.e. Compulsory Convertible Preference Shares, which were converted into Equity Shares in the Extra-Ordinary General Meeting held on December 10, 2024. All Equity Shares issued are fully paid up. As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding convertible instruments.

**4. Shares issued for consideration other than cash or out of revaluation reserves or by way of a bonus issue**

Our Company has not issued any Equity Shares out of its revaluation reserves. Further, except as disclosed below, our Company has not issued any Equity Shares for consideration other than cash or as a bonus issue:

Date of Allotment*	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
May 02, 2025	1,00,35,419	10.00	-	Bonus Issue	Capitalization of Reserves & Surplus <sup>(1)</sup>	Mr. Amit Rajendraprasad Dalmia	69,87,906
						Mrs. Susmita Amit Dalmia	1,93,099
						M/s. Texport Industries Private Limited	1,36,630
						Mrs. Manjusha Kajaria	89,481
						Mr. Jiby Thomas	25,570
						M/s. Bennett Coleman & Company Ltd	26
						Mr. Yogendra Vashishta	4,33,141
						Mr. Ruman Kailash Agarwal	4,33,115
						Anurag Goel	4,66,513
						Gautam Dalmia	94,271
						Gaurav Deepak	3,77,057
						Ameyasoft Technologies Private Limited	1,88,516
						Umesh Bikhchand Bijlani	67,465
						Suman Agarwal	33,681
						Ayush Gupta	33,681
						Usha Modi	33,681
						Clinch Solution PMS LLP	1,34,724
						Kavita Sidharth More	47,638
						Atul Kasliwal	33,681
						Ashish Jain HUF	27,037
						Akash Kumar Jain	27,037
						Jain Priyash	27,037
						Siddharth Kasliwal	33,681
						Nemil Hareesh Mehta HUF	33,681

						Riddhi Kasliwal	20,214
						Anshita Jain	33,681
						Sangeeta Kasliwal	23,175
<b>Total</b>							<b>1,00,35,419</b>

(1) Bonus Ratio: ratio of 25.75:1 meaning 25.75 Bonus Equity Shares for every 1 equity share held as on record date i.e., April 30<sup>th</sup> 2025.

4. Our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Drat Red Herring Prospectus.
5. Our Company has not issued or allotted any equity shares or preference shares pursuant to schemes of arrangement approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013, as applicable
6. All issuances of securities made by our Company since its incorporation till the date of filing of this Draft Red Herring Prospectus were in compliance with the Companies Act, 1956 and the Companies Act, 2013, as applicable.
7. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
8. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Offer. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2021.
9. Except as disclosed below, our Company has not issued any Equity Shares at a price lower than the Offer Price during a period of one year preceding the date of this Draft Red Herring Prospectus, except as disclosed below:

Date of Allotment*	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
May02, 2025	1,00,35,419	10.00	-	Bonus Issue	Capitalization of Reserves & Surplus <sup>(1)</sup>	Mr. Amit Rajendraprasad Dalmia	69,87,906
						Mrs. Susmita Amit Dalmia	1,93,099
						M/s. Texport Industries Private Limited	1,36,630
						Mrs. Manjusha Kajaria	89,481
						Mr. Jiby Thomas	25,570
						M/s. Bennett Coleman & Company Ltd	26
						Mr. Yogendra Vashishta	4,33,141
						Mr. Ruman Kailash Agarwal	4,33,115
						Anurag Goel	4,66,513
						Gautam Dalmia	94,271
						Gaurav Deepak	3,77,057
						Ameyasoft Technologies Private Limited	1,88,516
						Umesh Bikhchand Bijlani	67,465
						Suman Agarwal	33,681
						Ayush Gupta	33,681
						Usha Modi	33,681
						Clinch Solution PMS LLP	1,34,724
						Kavita Sidharth More	47,638
						Atul Kasliwal	33,681
						Ashish Jain HUF	27,037
						Akash Kumar Jain	27,037
						Jain Priyash	27,037
						Siddharth Kasliwal	33,681
						Nemil Haresh Mehta HUF	33,681
						Riddhi Kasliwal	20,214
						Anshita Jain	33,681
						Sangeeta Kasliwal	23,175
Total							1,00,35,419

## 10. Our Shareholding Pattern:

The Shareholding Pattern of our Company before the Offer as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:

S. no.	Particular	Yes/No	Promoters and Promoter's Group	Public shareholder	Non-Promoters – Non-Public
1	Whether the Company has issued any partly paid-up shares?	NO	NO	NO	NO
2	Whether the Company has issued any Convertible Securities?	NO	NO	NO	NO
3	Whether the Company has issued any Warrants?	NO	NO	NO	NO
4	Whether the Company has any shares against which depository receipts are issued?	NO	NO	NO	NO
5	Whether the Company has any shares in lock-in?*	NO	NO	NO	NO
6	Whether any shares held by promoters are pledged or otherwise encumbered?	NO	NO	NA	NA
7	Whether the Company has equity shares with differential voting rights?	NO	NO	NO	NO
8	Whether the listed entity has any significant beneficial owner?	NO	NO	NO	NO

\* All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on Emerge Platform of National Stock Exchange of India Limited. Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the Listing of the Equity Shares. The Shareholding Pattern will be uploaded on the Website of the NSE i.e. [www.nseindia.com](http://www.nseindia.com) before commencement of trading of such Equity Shares.

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Draft Red Herring Prospectus:



Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	No. of Locked in shares (XII)	Number of Shares pledged or otherwise encumbered. (XIII)				Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (Sb)	
								Class: X	Class : Y	Total									
A1	Promoter & Promoter Group	4	8359776	0	0	8359776	80.19	8359776	0	8359776	80.19	0	80.19	0		0		8359776	
B	Public	23	2065368	0	0	2065368	19.81	2065368	0	2065368	19.81	0	19.81	0		0		1089296	
C	Non-Promoter-Non-Public	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0		0		0	
C1	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0		0		0	
C2	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0		0		0	
	Total	27	10425144	0	0	10425144 *	100	10425144	0	10425144	100.00	0	100.00	0		0		9449072	

**Notes:-**

- As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.
- We have only one class of Equity Shares of face value of ₹10.00 each.
- There are no Equity Shares against which depository receipts have been issued.
- All Pre-IPO Equity Shares of our Company will be locked in prior to Listing of Shares on NSE EMERGE.
- In terms of Regulation 230(1)(d) of SEBI (ICDR) Regulations, 2018 all specified securities held by the promoters are dematerialised as on the date of filing of this Draft Red Herring Prospectus.
- Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.
- We have entered into tripartite agreement with NSDL and CDSL.

11. The shareholding pattern of our Promoters, Promoter Group and Additional 10 Shareholders before and after the Offer is set forth below:

S. No.	Pre-Issue shareholding as at the date of Advertisement			Post-Issue shareholding as at Allotment (3)			
	Shareholders	Number of Equity Shares (2)	Share holding (in %)* (2)	At the lower end of the price band (₹[•])		At the upper end of the price band (₹[•])	
				Number of Equity Shares (2)	Share holding (in %)* (2)	Number of Equity Shares (2)	Share holding (in %)* (2)
	PROMOTER & PROMOTER GROUP						
1.	Mr. Amit Rajendraprasad Dalmia	72,59,281	69.63	[•]	[•]	[•]	[•]
2.	Mrs. Susmita Amit Dalmia	2,00,598	1.92	[•]	[•]	[•]	[•]
3.	Mr. Yogendra Vashishta	4,49,962	4.32	[•]	[•]	[•]	[•]
4.	Mr. Ruman Kailash Agarwal	4,49,935	4.32	[•]	[•]	[•]	[•]
	ADDITIONAL 10 SHAREHOLDERS**						
1.	Anurag Goel	4,84,630	4.65	[•]	[•]	[•]	[•]
2.	Gaurav Deepak	3,91,700	3.76	[•]	[•]	[•]	[•]
3.	Ameyasoft Technologies Private Limited	1,95,837	1.88	[•]	[•]	[•]	[•]
4.	M/s. Texport Industries Private Limited	1,41,936	1.36	[•]	[•]	[•]	[•]
5.	Clinch Solution PMS LLP	1,39,956	1.34	[•]	[•]	[•]	[•]
6.	Gautam Dalmia	97,932	0.94	[•]	[•]	[•]	[•]
7.	Mrs. Manjusha Kajaria	92,956	0.89	[•]	[•]	[•]	[•]
8.	Umesh Bikhchand Bijlani	70,085	0.67	[•]	[•]	[•]	[•]
9.	Kavita Sidharth More	49,488	0.47	[•]	[•]	[•]	[•]
10.	Suman Agarwal	34,989	0.34	[•]	[•]	[•]	[•]
	Total	1,04,25,144	96.49%	[•]	[•]	[•]	[•]

\*Total share capital is 10,425,144 shares, of which the Promoter, Promoter Group, and top 10 shareholders hold 10,059,285 shares, representing 96.49% of the total.

**a. Equity Shareholding of Directors and Key Managerial Personnel and senior management in our Company:**

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

Sr. No.	Name of Shareholder	Category of Shareholder	No. of Equity Shares (Pre- Issue)	% of Pre- Offer Capital	No. of Equity Shares (Post Issue)	% of the Post Issue share Capital
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1.	Mr. Amit Rajendraprasad	Promoter and Executive Director	72,59,281	69.63%	[●]	[●]
2.	Mrs. Susmita Amit Dalmia	Promoter and Executive Director	2,00,598	1.92%	[●]	[●]
3.	Mr. Ruman Kailash Agarwal	Promoter and Executive Director	4,49,935	4.32%	[●]	[●]
4.	Mr. Yogendra Vashishta	Senior Management Personnel	4,49,962	4.32%		
	<b>Total</b>		<b>83,59,776</b>	<b>80.19%</b>	[●]	[●]

**b. List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Draft Red Herring Prospectus:**

Sr. No.	Name of shareholder	Number of Equity Shares of (Face value ₹10 each)	% of the Pre-offer share Capital
1.	Mr. Amit Rajendraprasad Dalmia	72,59,281	69.63%
2.	Mrs. Susmita Amit Dalmia	2,00,598	1.92%
3.	Mr. Ruman Kailash Agarwal	4,49,935	4.32%
4.	M/s. Texport Industries Private Limited	1,41,936	1.36%
5.	Mr. Yogendra Vashishta	4,49,962	4.32%
6.	Anurag Goel	4,84,630	4.65%
7.	Gaurav Deepak	3,91,700	3.76%
8.	Ameyasoft Technologies Private Limited	1,95,837	1.88%
9.	Clinch Solution PMS LLP	1,39,956	1.34%
	<b>Total</b>	<b>97,13,835</b>	<b>93.18%</b>

**c. List of shareholders holding 1% or more of the paid-up capital of our company as on date ten days prior to the date of this Draft Red Herring Prospectus:**

Sr. No	Name of shareholder	Number of Equity Shares of Face value ₹10 each	% of the Pre-offer share capital
1.	Mr. Amit Rajendraprasad Dalmia	72,59,281	69.63%
2.	Mrs. Susmita Amit Dalmia	2,00,598	1.92%
3.	Mr. Ruman Kailash Agarwal	4,49,935	4.32%
4.	M/s. Texport Industries Private Limited	1,41,936	1.36%
5.	Mr. Yogendra Vashishta	4,49,962	4.32%
6.	Anurag Goel	4,84,630	4.65%
7.	Gaurav Deepak	3,91,700	3.76%
8.	Ameyasoft Technologies Private Limited	1,95,837	1.88%
9.	Clinch Solution PMS LLP	1,39,956	1.34%
	<b>Total</b>	<b>97,13,835</b>	<b>93.18%</b>

**d. Particulars of the shareholders holding 1% or more of the paid-up share capital of the Company and the number of shares held by them one (01) year prior to filing of this Draft Red Herring Prospectus**

Sr. No.	Name of shareholder	Number of Shares of Face value ₹10 each*	% of the Pre-offer share capital#
1.	Mr. Amit Rajendraprasad Dalmia	271174	72.84
2.	Mrs. Susmita Amit Dalmia	7499	2.01
3.	M/s. Texport Industries Private Limited	5508	1.48
4.	Mr. Yogendra Vashishta	16821	4.52
5.	Mr. Ruman Kailash Agarwal	16820	4.52
6.	Anurag Goel	16260	4.37

7.	Gautam Dalmia	4065	1.09
8.	Gaurav Deepak	16261	4.36
9.	Ameyasoft Technologies Private Limited	8130	2.18
	<b>Total</b>	<b>3,62,538</b>	<b>97.37%</b>

\*Details of shares held on July 20, 2024 and percentage held has been calculated based on the paid-up capital of our Company as on July 20, 2024.

# the % has been calculated based on the Company's paid-up capital as it stood one year prior to the date of filing this Draft Red Herring Prospectus.

\*\*The shareholding includes preference share capital, which has been fully converted into equity shares as on the date of this Draft Red Herring Prospectus (DRHP); no preference shares are outstanding.

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

Sr. No.	Name of shareholder	Number of Equity Shares of Face value ₹10 each*	% of the Pre-offer share capital#
1.	Mr. Amit Rajendraprasad Dalmia	254,914	86.08
2.	Mrs. Susmita Amit Dalmia	7,499	2.53
3.	M/s Vistra ITCL (India) Ltd. (Earlier known as IL & FS Trust company Ltd)	33,641	11.36
	<b>Total</b>	<b>2,96,105</b>	<b>99.97%</b>

\*Details of shares held on July 20, 2023 and percentage held has been calculated based on the paid-up capital of our Company as on July 20, 2023.

# the % has been calculated based on the Company's paid-up capital as it stood two year prior to the date of filing this Draft Red Herring Prospectus.

\*\*The shareholding includes preference share capital, which has been fully converted into equity shares as on the date of this Draft Red Herring Prospectus (DRHP); no preference shares are outstanding.

**12.** Our Company has not made any public offer (including any rights issue to the public) since its incorporation.

**13.** There will be no further issue of capital, whether by way of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Offer.

**14.** Further, our Company does not have any proposal or intention and is not under negotiations and considerations to alter its capital structure within a period of six months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, with Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company after obtaining relevant approvals.

**15. Details of our Promoters Shareholding.**

As of the issuance of this Draft Red Herring Prospectus, the entirety of our Promoters' equity shares, totaling 83,59,776, are collectively held by Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta ("the Promoters"). This ownership represents roughly 80.19% of the Company's pre-issued, subscribed, and paid-up Equity Share Capital. None of the Equity Shares held by our Promoters are pledged or otherwise encumbered, and all the shares held by our promoters are held in dematerialized form as on the date of the Draft Red Herring Prospectus.

All the Equity Shares held by our Promoters as detailed herein below, were fully paid-up on the respective dates of allotment of such Equity Shares.

Set forth below are the details of the build-up of our Promoters' shareholding in the Company since incorporation:

Date Allotment of Transfer*	Number of Equity Shares/ Preference Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-offer equity share capital	% of post Offer equity share capital
<b>(A)</b>							
<b>Mr. Amit Rajendraprasad Dalmia</b>							
Upon Incorporation	5,000	10.00	10.00	Cash	Subscriber to the memorandum of Association	Negligible	[●]
March 27, 2014	47,500	10.00	10.00	Cash	Right Issue	0.45%	[●]
July 04, 2015	19,750	10.00	10.00	Cash	Right Issue	0.18%	[●]
November 17, 2017	1	10.00	10.00	Cash	Transfer from Susmita Dalmia to Amit	Negligible	[●]
November 17, 2017	(1)	10.00	10.00	Cash	Transfer to Bennett Coleman and Company Ltd	Negligible	[●]
September 20, 2021	40,646	10.00	135.00	Cash	Transfer from Arunanshu Vijaykumar Agarwal	0.38%	[●]
September 20, 2021	7629	10.00	135.00	Cash	Transfer from Vijay Kumar Agarwal	Negligible	[●]
February 15, 2022	70,102	10.00	135.00	Cash	Transfer from Arunanshu Vijaykumar Agarwal	0.67%	[●]
October 07, 2022	64,287	10.00	135.00	Cash	Transfer from Arunanshu Vijaykumar Agarwal	0.61%	[●]
May 08, 2024	16,260	10	1,230	Cash	Right Issue Pre Series A CCPS	0.15%	[●]
December 11, 2024	(16,260)	10	-	Other than Cash	Conversion of Pre Series A CCPS into Equity Shares of the Company.	(0.15%)	[●]
December 11, 2024	14,641	10	-	Other than Cash	Allotment after Conversion of Pre Series A CCPS into Equity Shares of the Company in the ratio of 0.9004:1	0.14%	[●]
December 16, 2024	1,820	10	677.00	Cash	Transfer from M/s. Girisons Retailing Private Limited	Negligible	[●]
May 02, 2025	69,87,906	10	-	Other than Cash	Bonus Issue	67.02%	[●]
<b>Sub-Total (A)</b>	<b>72,59,281</b>					<b>69.63%</b>	<b>[●]</b>

Date of Allotment / Transfer*	Number of Equity Shares/ Preference Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre- offer equity share capital	% of post Offer equity share capital
<b>(B)</b>							
<b>Mrs. Susmita Amit Dalmia</b>							
April 13, 2013	5,000	10.00	10.00	Cash	Transfer from Mr. Rahul Narendra Mehta	Negligible	[●]
March 27, 2014	2,500	10.00	10.00	Cash	Right Issue	Negligible	[●]
November 17, 2017	(1)	10.00	10.00	Cash	Transfer to Mr. Amit Rajendraprasad Dalmia	Negligible	[●]
May02, 2025	1,93,099	10	-	Other than Cash	Bonus Issue	1.85%	[●]
<b>Sub-Total (B)</b>	<b>2,00,598</b>					<b>1.92%</b>	<b>[●]</b>

Date of Allotment / Transfer*	Number of Equity Shares/ Preference Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre- offer equity share capital	% of post Offer equity share capital
<b>(C)</b>							
<b>Mr. Ruman Kailash Agarwal</b>							
March 31, 2024	16,820	10.00	42.00	Cash	Transfer from Vistra ITCL (India) Limited - Trustee - Blume Ventures Fund I	0.17%	[●]
May02, 2025	433,115	10	-	Other than Cash	Bonus Issue	4.15%	[●]
<b>Sub-Total (C)</b>	<b>4,49,935</b>					<b>4.32%</b>	<b>[●]</b>

Date of Allotment / Transfer*	Number of Equity Shares/ Preference Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre- offer equity share capital	% of post Offer equity share capital
<b>(D)</b>							
<b>Mr. Yogendra Vashishta</b>							
March 31, 2024	16,821	10.00	42.00	Cash	Transfer from Vistra ITCL (India) Limited - Trustee - Blume Ventures Fund I	0.17%	[●]
May02, 2025	433,141	10	-	Other than Cash	Bonus Issue	4.15%	[●]
<b>Sub-Total (D)</b>	<b>4,49,962</b>					<b>4.32%</b>	<b>[●]</b>

The above stated details w.r.t. the share transfers have been verified from the statutory records i.e. statutory registers and Minutes of the Board Meeting of the Company.

Notes:

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

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

Sr. No.	Particulars	Pre-Offer		Post-Offer	
		Number of Equity Shares of face value ₹ 10/- each	% Holding	Number of Equity Shares of face value ₹ 10/- each	% Holding
<b>A)</b>	<b>Promoters</b>				
1.	Mr. Amit Rajendraprasad Dalmia	72,59,281	69.63%	[•]	[•]
2.	Mrs. Susmita Amit Dalmia	2,00,598	1.92%	[•]	[•]
3.	Mr. Ruman Kailash Agarwal	4,49,935	4.32%	[•]	[•]
4.	Mr. Yogendra Vashishta	4,49,962	4.32%	[•]	[•]
	<b>Total (A)</b>	<b>83,59,776</b>	<b>80.19%</b>	<b>[•]</b>	<b>[•]</b>
<b>B)</b>	<b>Promoter Group</b>				
1.	-	-	-	[•]	[•]
	<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>[•]</b>	<b>[•]</b>
	<b>Total (A+B)</b>	<b>83,59,776</b>	<b>80.19%</b>	<b>[•]</b>	<b>[•]</b>

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

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Amit Rajendraprasad Dalmia	72,59,281	6.42
2.	Mrs. Susmita Amit Dalmia	2,00,598	0.37
3.	Mr. Ruman Kailash Agarwal	4,49,935	1.57
4.	Mr. Yogendra Vashishta	4,49,962	1.57

\*As certified by V.K. Beswal & Associates, Chartered Accountants, by way of their certificate dated July 14, 2025.

17. We have 27 (Twenty-Seven) Shareholders as on the date of this Draft Red Herring Prospectus.

18. We hereby confirm that:

Except as stated below, there has been no acquisition, sale or transfer of Equity Shares by our Promoter, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Draft Red Herring Prospectus:

Date of Allotment / Transfer	No. of Equity Shares	Face Value	Issue Price	Reason of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
May 02, 2025	1,00,35,419	10.00	N.A	Bonus Issue	Yes	Mr. Amit Rajendraprasad Dalmia	69,87,906
					Yes	Mrs. Susmita Amit Dalmia	1,93,099
					No	M/s. Texport Industries Private Limited	1,36,630
					No	Mrs. Manjusha Kajaria	89,481



				No	Mr. Jiby Thomas	25,570
				No	M/s. Bennett Coleman & Company Ltd	26
				Yes	Mr. Yogendra Vashishta	4,33,141
				Yes	Mr. Ruman Kailash Agarwal	4,33,115
				No	Anurag Goel	4,66,513
				No	Gautam Dalmia	94,271
				No	Gaurav Deepak	3,77,057
				No	Ameyasoft Technologies Private Limited	1,88,516
				No	Umesh Bikhchand Bijlani	67,465
				No	Suman Agarwal	33,681
				No	Ayush Gupta	33,681
				No	Usha Modi	33,681
				No	Clinch Solution PMS LLP	1,34,724
				No	Kavita Sidharth More	47,638
				No	Atul Kasliwal	33,681
				No	Ashish Jain HUF	27,037
				No	Akash Kumar Jain	27,037
				No	Jain Priyash	27,037
				No	Siddharth Kasliwal	33,681
				No	Nemil Haresh Mehta HUF	33,681
				No	Riddhi Kasliwal	20,214
				No	Anshita Jain	33,681
				No	Sangeeta Kasliwal	23,175

There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of the Draft Red Herring Prospectus.

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

Our Promoter, Mr. Amit Rajendraprasad Dalmia have given written consent to include their respective eligible Equity Shares, subscribed and held by them as a part of Minimum Promoters' Contribution aggregating to [●]% of the post offer Paid-up Equity Shares Capital of our Company ("Minimum Promoters' Contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as

mentioned above shall be locked-in for a period of three years from the date of allotment in the Initial Public Offer.

We further confirm that Minimum Promoters Contribution of [●]% of the post offer Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund or Foreign Venture Capital Investor or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.

The Minimum Promoters Contribution has been brought into to the extent of not less than the 20.00% of the Post Offer Capital and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters' Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of Minimum Promoters' Contribution are as follows:

Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Allotment/ Acquired/ Transfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
<b>Mr. Amit Rajendraprasad Dalmia</b>								
[●]	[●]	[●]	[●]	10.00	[●]	[●]	[●]	[●]
<b>Total</b>			[●]			[●]		[●]

\* Subject to finalisation of Basis of Allotment.

- (1) For a period of three years from the date of allotment.
- (2) All Equity Shares have been fully paid-up at the time of allotment.
- (3) All Equity Shares held by our Promoters are in dematerialized form.

All the Equity Shares held by the Promoters / members of the Promoters' Group are already dematerialized as on date of this Draft Red Herring Prospectus.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of [●]% of the Post Offer Capital of our Company as mentioned above does not consist of:

- Equity Shares acquired during the preceding three years for;
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' Contribution;
- The Equity Shares held by the Promoters and offered for Minimum Promoters' Contribution which are subject to any pledge with any creditor;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;
- As per Regulation 237 (1) if the Shares are issued to the promoters during the preceding One Year at a price less than the Price at which specified securities are being offered to the public in initial public offer is ineligible for Minimum Promoters' Contribution.
- However as per clause (c) of sub regulation (1) of Regulation 237 of SEBI (ICDR), 2018 specified securities allotted to Promoters during the preceding one year at a price less than the offer price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management:

Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible; **Not Applicable**

## 19. Details of Promoters' Contribution Locked-in for One Year and Two Years

In terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018 and in compliance with additional eligibility criteria for

in principle approval for listing on NSE EMERGE in accordance with press release dt 18/12/24 of 208th SEBI Board meeting on “Review of SME framework under SEBI (ICDR) Regulations, 2018, and applicability of corporate governance provisions under SEBI (LODR) Regulations, 2015 on SME companies”, in addition to the Minimum Promoters contribution which is locked in for three years held by the promoters, as specified above, the 50% of pre-issue Equity Shares share capital constituting [●] Equity Shares shall be locked in for a period of one year and remaining 50% of pre-issue Equity Shares share capital constituting [●] Equity Shares shall be locked in for a period of two years from the date of allotment of Equity Shares in this Issue.

## **20. Lock in of Equity Shares held by Persons other than the Promoters:**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution as per regulation 238(a) and 238(b) of the SEBI (ICDR) Regulations, 2018, the entire pre-issue equity share capital held by persons other than the promoters shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue. In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription ‘non-transferable’ along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

## **21. Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors**

Fifty percent of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment

## **22. Inscription or recording of non-transferability:**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository.

## **23. Pledge of Locked in Equity Shares:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following:

- In case of Minimum Promoters’ Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Offer and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by the Promoters in excess of Minimum Promoters’ contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

## **24. Transferability of Locked in Equity Shares:**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters’ Group or to a new promoter (s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- The equity shares held by persons other than Promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoters’ Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lockin period stipulated has expired.

25. Our Company, our Directors and the Book Running Lead Manager to this Offer have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
26. As on date of the Draft Red Herring Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
27. Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Red Herring Prospectus.
28. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to the public at large.
29. There are no safety net arrangements for this public offer.
30. As on the date of filing of the Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
31. As per RBI regulations, OCBs are not allowed to participate in this offer.
32. Our Company has not raised any bridge loan against the proceeds of this Offer. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.
33. There are no Equity Shares against which depository receipts have been issued.
34. As on date of the Draft Red Herring Prospectus, other than the Equity Shares, there is no other class of securities issued by our Company.
35. As on the date of Draft Red Herring Prospectus, our Company does not have any ESOP, ESPS or any other outstanding securities.
36. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
37. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
38. Since present offer is a Book Built Offer, the allocation in the net offer to the public category in terms of Regulation 253(1) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
  - a) Not less than thirty-five per cent to Individual Investors;
  - b) Not less than fifteen per cent to Non-Institutional Investors;
  - c) Not more than fifty per cent to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual funds.
39. Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category.

Provided further that in addition to five per cent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.
40. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under Basis of Allotment in the chapter titled "Issue Procedure" beginning on page 295 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
41. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the Offer to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the offer.
42. Our Promoters and the members of our Promoters' Group will not participate in this Offer.

- 43.** Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
- 44.** The Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking.

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## **SECTION VII – PARTICULARS OF THE ISSUE**

### **OBJECTS OF THE ISSUE**

#### **REQUIREMENT OF FUNDS**

The Issue comprises of fresh issue of up to 37,58,400 Equity Shares by our Company aggregating [●] Lakhs. Our Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

1. Funding capital expenditure requirements of our company towards purchasing office with furniture.
2. Funding capital expenditure requirements of our Company towards purchase of office premise for establishing an in- house studio.
3. Repayment/ prepayment of certain borrowings availed by our Company and
4. General corporate purpose.

(Collectively, referred to herein as the “*Objects of the Issue*”)

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Issue. In addition, our Company believes that listing will enhance our Company’s corporate image, brand name and create a public market for its Equity Shares in India.

#### **ISSUE PROCEEDS**

The details of the proceeds of the Fresh Issue are set forth in the table below:

(₹ in Lakhs)

Particulars	Amount*
Gross Proceeds of the Issue	[●]
Less: Issue related Expenses	[●]
<b>Net Proceeds of the Issue</b>	<b>[●]</b>

\*To be updated in the Prospectus prior to filing with RoC.

#### **UTILISATION OF NET PROCEEDS**

The Net Proceeds are proposed to be utilised in the manner set out in the following table:

(₹ in Lakhs)

Sr. No	Particulars	Estimated Amount	% of Gross Proceeds*	% of Net Proceeds*
1.	Funding capital expenditure requirements of our company towards purchasing office with furniture.	979.00	[●]	[●]
2.	Funding capital expenditure requirements of our Company towards purchase of office premise for establishing an in-house studio	899.00	[●]	[●]
2.	Repayment/ prepayment of certain borrowings availed by our Company and	1100.00	[●]	[●]
3.	General corporate purposes <sup>#</sup>	[●]	[●]	[●]
	<b>Total*</b>	[●]	[●]	[●]

<sup>#</sup>The amount to be utilised for general corporate purposes will not exceed fifteen percent of the amount being raised by our company or ₹ 10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018.

\*To be updated in the Prospectus prior to filing with RoC.

## PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The Net Proceeds of the Issue are currently expected to be deployed in accordance with the schedule as stated below:

Sr. No.	Object	Amount to be financed from Net Proceeds	Estimated Utilization of Net Proceeds in F. Y. 2025-26
1.	Funding capital expenditure requirements of our company towards purchasing office with furniture.	979.00	979.00
2.	Funding capital expenditure requirements of our Company towards purchase of office premise for establishing an in-house studio	899.00	899.00
3.	Repayment/ prepayment of certain borrowings availed by our Company and	1100.00	1100.00
4.	General corporate purposes*#	[●]	[●]
	<b>Total*</b>	[●]	[●]

*\*To be updated in the Prospectus prior to filing with RoC.*

*# The amount utilized for general corporate purpose shall not exceed fifteen percent of the gross proceeds of the Issue or ₹ 10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, competition, contractual terms and conditions and negotiation with owners, variation in cost estimates and other external factors such as changes in the business environment and interest, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For details in relation to the discretion available to our management in respect of use of the Net Proceeds and for further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled **“Risk Factors”** on page 28.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned objects during Fiscal 2026. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal years is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

## MEANS OF FINANCE

The fund requirements set out for the aforesaid objects are proposed to be met entirely from the Net Proceeds, internal accruals, net worth and existing debt financing. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

## DETAILS OF THE OBJECTS OF THE ISSUE

### 1. Funding capital expenditure requirements of our company towards purchasing office with furniture:

We have established our branch office on a rental commercial property situated at Office No. 701, Simba Tower, CTS No. 67/A/1/2, off Western Express Highway, 12 Aradhana Industrial Estate, Goregaon (East), Mumbai – 400063. Currently, we are incurring a monthly rental expense of ₹3,85,875 (excluding GST) for the use of this office space.



To optimize our operating expenses and strengthen our asset base, the Company has entered into an agreement dated June 17, 2025, for the purchase of the said office premises. The premises are situated on the 7th floor of Simba Tower and have a carpet area of approximately 1846.22 square feet. The total purchase consideration for the office premises is ₹1,000.00 lakhs.

The acquisition of this property is expected to result in long-term cost savings by eliminating rental outflows and securing a permanent office infrastructure to support our growing operations.

Our Board in its meeting dated June 09, 2025 took note that an amount of ₹ 979.00 lakhs is proposed to be utilized towards funding capital expenditure requirements of our company towards purchasing an office from the Net Proceeds. The table below sets forth the break-up of the total estimated costs for setting up of the proposed office:

(₹ in lakhs)

Description of the Property	Total Purchase Consideration **	Amount already incurred out of Internal Accruals*	Amount proposed to be funded from the Net proceeds	Carpet Area (Sq. ft.)	Date of intent to sale agreement	Name, address, and occupation of Owner
701, Simba Tower, CTS No. 67/A/1/2, off Western Express Highway, 12 Aradhana Industrial Estate, Goregaon (East), Mumbai – 400063.	1,000.00	21.00	979.00	1846.22 sq. ft.	June 17, 2025	<b>Name:</b> Mr. Karwa Krishna Kumar Murlidhar <b>Address:</b> Resident of: Flat no.1601/B, Beamonde, Appa Saheb Marthe Marg, Prabhadevi, Mumbai-400025.  <b>Occupation:</b> Business
<b>Total</b>	<b>1,000.00</b>	<b>21.00</b>	<b>979.00</b>			

\* Our Company has made payment of ₹ 21.00 lakhs from internal accruals towards acquisition of Office.

\*\* Total Purchase consideration does not include stamp duty/legal/registration charges.

#### **Payment terms as per the intent to sale agreement dated June 17, 2025:**

The balance payment of ₹ 9,79,00,000/- (Rupees Nine Crores Seventy-Nine Lakhs only) shall be paid on or before six months from the signing of the intent to sale agreement, with a grace period of 30 days.

The Sale Deed shall be executed and registered upon full payment of the sale consideration by the Buyer.

#### **Notes:**

- The said property is free from all encumbrances and have clear title, post-acquisition of the said property, it will be registered in the name of our Company. Our Promoters, Directors and KMP, do not have any interest in abovementioned object and are not related to Mr. Karwa Krishna Kumar Murlidhar from whom we propose to acquire such property.

#### **Government and Other Approvals:**

In relation to the proposed office, we are required to obtain certain approvals, which are routine in nature, from certain governmental or local authorities, the status of which is provided below:

Sr. No.	List of Approvals	Stages when it is required
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1.	Registration under The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017	We have already obtained these approvals as we are currently operating our branch office here on lease
2.	Addition of additional place of business in GST Registration Certificate (Maharashtra)	Post purchase of property

**2. Funding capital expenditure requirements of our Company towards purchase of office premise for establishing an in-house studio:**

Our Company proposes to utilize a portion of the Net Proceeds from the Fresh Issue towards the purchase of office premise located at Office No. 901 & 902, Simba Tower, CTS No. 67/A/1/2, Off Western Express Highway, 12 Aradhana Industrial Estate, Goregaon (East), Mumbai – 400063. The premises, situated on the 9th floor of Simba Tower, has a carpet area of approximately 1,846.22 square feet.

Currently, we outsource studio-related work, including product photography for our brands. With the increasing scale of our operations and marketing activities, we intend to establish an in-house studio at the proposed premises to improve turnaround times, ensure consistent visual quality, and support our overall branding and marketing efforts.

We have already shortlisted vendor for the procurement of studio equipment, which will be funded through internal accruals.

To this end, the Company has entered into a purchase agreement dated April 07, 2025, for acquiring the aforementioned premises, for a total consideration of ₹950.00 lakhs. As of the date of this Draft Red Herring Prospectus, the Company has made an advance payment of ₹51.00 lakhs. A portion of the Net Proceeds from the Fresh Issue amounting to ₹899.00 lakhs will be utilized towards the balance payment for the acquisition.

This acquisition is expected to strengthen our asset base, reduce long-term outsourcing costs, and enhance operational efficiency in line with our future growth plans.

Our Board in its meeting dated June 09, 2025 took note that an amount of ₹ 899.00 lakhs is proposed to be utilized towards Funding capital expenditure requirements of our Company towards purchase of office premise for establishing an in-house studio from the Net Proceeds. The table below sets forth the break-up of the total estimated costs for setting up of the proposed office:

**(₹ in lakhs)**

Description of the Property	Total Purchase Consideration	Amount incurred out of Internal Accruals	Amount proposed to be funded from the Net proceeds	Carpet Area (Sq. ft.)	Date of intent to agreement	Name, address, and occupation of Owner
901 & 902, Simba Tower, CTS No. 67/A/1/2, off Western Express Highway, 12 Aradhana Industrial Estate, Goregaon (East), Mumbai – 400063.	950.00	51.00	899.00	1846.22 sq. ft.	April 07, 2025	<b>Name:</b> SBL Colortech Pvt. Ltd  <b>Address:</b> 801, CTS No. 67-A/1/2, Simba, Off. W.E. Highway, 12 Aradhana Industrial Estate, Near Virwani Ind Est., Mumbai City, Mumbai, Maharashtra, India, 400063
<b>Total</b>	<b>950.00</b>	<b>51.00</b>	<b>899.00</b>			

\* Our Company has made payment of ₹ 51.00 lakhs from internal accruals towards acquisition of Office.

\$ Total Purchase consideration does not include stamp duty/legal/registration charges.

**Payment terms as per the intent to sale agreement dated April 07, 2025:**

The balance payment of ₹ 8,99,00,000/- (Rupees Eight Crore Ninety-Nine Lakh only) shall be paid on or before six months from the signing of the intent to sale agreement, with a grace period of 30 days.

The Sale Deed shall be executed and registered upon full payment of the sale consideration by the Buyer.

**Notes:**

- The said property is free from all encumbrances and have clear title, post-acquisition of the said property, it will be registered in the name of our Company.
- Our Promoters, Directors and KMP, do not have any interest in abovementioned object and are not related to SBL Colortech Pvt. Ltd from whom we propose to acquire such property.

**Government and Other Approvals:**

In relation to the proposed Premise, we are required to obtain certain approvals, which are routine in nature, from certain governmental or local authorities, the status of which is provided below:

Sr. No.	List of Approvals	Stages when it is required
1.	Registration under The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017	Post purchase of property
2.	Addition of additional place of business in GST Registration Certificate (Maharashtra)	Post purchase of property

**3. Repayment of Loan**

As on July 16, 2025 our outstanding fund-based borrowings from all the borrowings of the company were amounted to ₹1588.09 lakhs. Our Company has entered into various financial arrangements from time to time, with banks and financial institutions. The loan facilities availed by our Company include borrowing in the form of, inter alia, Cash credit facility from various lenders. For further details, see ***“Financial Indebtedness”*** on page 234.

Our Company in its Board Meeting dated July 16, 2025 proposes to utilise an estimated amount of ₹1100 lakhs from the Net Proceeds towards full or partial repayment of cash credit facility, listed below, availed from the Bank of Maharashtra Limited and Union Bank of India Limited by our Company. We believe that such repayment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds is mentioned below:

S. No	Name of the lender	Nature of borrowing	Date of the sanction letter(s)	Voluntary pre payment penalty	Tenor	Repayment schedule	Rate of Interest (% per annum)	Amount Sanctioned (in ₹ Lakhs)	Total outstanding amount as of July 16, 2025 (in ₹ Lakhs)	Expected repayment from Net Proceeds (in ₹ Lakhs)	Purpose of Loan
1.	Bank of Maharashtra	Cash Credit	August 16, 2024	Nil	12 months	Repayable on demand	11.15%	500.00	500.00	500.00	Working capital
2.	Union Bank of India	Cash Credit	June 09, 2025	Nil	12 months	Repayable on demand	8.75%	600.00	600.00	600.00	Working capital

	Total							1100.00	1100.00	1100.00	
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**Notes:**

- The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated July 18, 2025.
- In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated July 18, 2025 from the Statutory Auditors, certifying that the borrowings have been utilized towards the purposes for which such borrowings were availed by us.

**4. General Corporate Purpose**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹ [●] Lakh towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- funding growth opportunities;
- servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- capital expenditure, including towards expansion/development/refurbishment/renovation of our assets;
- working capital;
- meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- strategic initiatives and
- On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above in any permissible manner. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Red Herring Prospectus, shall not exceed 15% of the amount raised by our Company through this Issue or Rs. 10 crores whichever is less.

**ESTIMATED ISSUE RELATED EXPENSES**

The details of the estimated issue related expenses are tabulated below:

(₹ in Lakhs)

Particulars	Amount*	As a % of Estimates Issue Expenses*	As a % of Issue Size*
Book Running Lead Manager Fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling, commission and upload fees	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and Marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of offer stationery	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees,	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

## **APPRAISAL**

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

## **BRIDGE LOANS**

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

## **MONITORING OF UTILIZATION OF FUNDS**

As this is a Fresh Issue for less than ₹ 5,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

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

Pursuant to SEBI LODR Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors and as per regulation 262(5) of SEBI ICDR regulations 2018, we shall submit a certificate of the statutory auditor for utilization of money raised through the public issue to exchange while filing the quarterly financial results, till the issue proceeds are fully utilized.

## **INTERIM USE OF FUNDS**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 and in liquid Mutual Fund, as amended, as may be approved by our Board. 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 or investing in any real estate product or real estate linked products.

## **VARIATION IN OBJECTS**

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

## **OTHER CONFIRMATIONS**

There is no proposal whereby any portion of the Net Proceeds will be paid to Our Promoters, Promoter Group, Directors and Key Managerial Personnel, Group Companies, except in the ordinary course of business and in compliance with applicable law. Further, there are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with Our Promoters, Promoter Group, Directors Group Companies, and/or Key Managerial Personnel.

## **BASIS FOR ISSUE PRICE**

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Business Overview” and its financial statements under the section titled “Financial Information of our Company” beginning on page 28, page 128 and page 204 respectively of this Draft Red Herring Prospectus. The trading price of the Equity shares of our Company could decline due to these risks and the investor may lose all or part of his/her investment.

The Price Band, Floor Price and Issue Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares Issued through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10/- and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. The Cap Price shall be minimum 105% of the Floor Price and shall not exceed 120% of the Floor Price.

### **QUALITATIVE FACTORS**

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Business Overview” beginning on page 128 of this Draft Red Herring Prospectus.

- Wide Geographic Presence
- Strong Distribution Network
- Digital Sales Growth
- Product portfolio
- Long Standing Relationship with job workers
- Experienced management team with a proven track record

### **QUANTITATIVE FACTORS**

Information presented below is derived from our Company’s Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### **1. Basic & Diluted Earnings per share (EPS), as restated:**

Basic Earnings per share (₹) =  $\frac{\text{Restated Net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company}}{\text{Weighted average number of Equity Shares outstanding during the year/period post sub-division/bonus}}$

Weighted average number of Equity Shares outstanding during the year/period post sub-division/bonus

Diluted Earnings per share (₹) =  $\frac{\text{Restated Net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company}}{\text{Weighted average number of Equity Shares outstanding during the year/period adjusted for the effects of all dilutive potential Equity shares post sub-division/bonus}}$

Weighted average number of Equity Shares outstanding during the year/period adjusted for the effects of all dilutive potential Equity shares post sub-division/bonus

S.No.	Period	Basic & Diluted (₹) (Pre-Bonus)	Weights	Basic & Diluted (₹) (Post-Bonus)	Weights
1.	Financial Year ended March 31, 2025	303.86	3	10.39	3
2.	Financial Year ended March 31, 2024	261.44	2	6.68	2
3.	Financial Year ended March 31, 2023	(49.31)	1	(1.26)	1
	<b>Weighted Average</b>	<b>230.86</b>	<b>6</b>	<b>43.27</b>	<b>7.21</b>

Notes:

i. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.*

- ii. The figures disclosed above are based on the restated standalone financial statements of the Company.
- iii. The face value of each Equity Share is ₹10.00.
- iv. Number of shares are adjusted by Increase in Capital through issue of Bonus shares on May 02, 2025 in the ratio of 25.75:1 meaning 25.75 Bonus Equity Shares for every 1 equity share held as on record date i.e., April 30<sup>th</sup>, 2025.

## 2. Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share:

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Floor Price/Cap Price}}{\text{Restated Earnings Per Share}}$$

S. No	Particulars	P/E at lower end of the Price Band	P/E at higher end of the Price Band
1.	Based on Restated Financial Statements	[●]	[●]
2.	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2024-25	[●]	[●]
3.	P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	[●]	[●]

Note: \*To be updated at the time of Red Herring Prospectus or Prospectus, in case Price Band Advertisement is given two working days prior to the Issue Opening date, as the case may be.

## Industry PE

Particulars	P/E Ratio
Highest	18.8
Lowest	7.8
Average	13.3

\*Based on Peer Group Companies as presented in Point 5 below.

## 3. Return on Net worth (RoNW)

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Standalone Profit after Tax attributable to Equity Shareholders} * 100}{\text{Net Worth}}$$

S. No	Period	RONW (%)	Weights
1.	Financial Year ended March 31, 2025	33.13	3
2.	Financial Year ended March 31, 2024	66.30	2
3.	Financial Year ended March 31, 2023	(37.03)	1
	<b>Weighted Average</b>	<b>32.50.</b>	<b>6</b>

Notes:

- Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights;
- The figures disclosed above are based on the Restated standalone Financial Statements of our Company.
- Net-worth, as restated at the end of the relevant financial year (Equity attributable to the owners of the company).

## 4. Net Asset Value (NAV) per Equity Share:

$$\text{Net asset value per Equity Share} = \frac{\text{Restated Standalone Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$



Sr. No.	As at	NAV*
1.	Financial Year ended March 31, 2025	835.88
2.	Financial Year ended March 31, 2024	350.38
3.	Financial Year ended March 31, 2023	133.14
	NAV after Issue	[●]
	At Floor Price*	[●]
	At Cap Price*	[●]
	At Issue Price*	[●]

\*To be determined after the book-building process

## 5. Comparison of Accounting Ratios with Industry Peers

S. No.	Name of Company	Results Type	Face Value (₹)	EPS(₹) <sup>3</sup>	PE <sup>4</sup>	RONW (%)	NAV per Share(₹)
1.	Encompass Design India Limited <sup>(1)</sup>	Standalone	10	303.86**	[●]	33.13%	835.88
2.	Neelam Linens and Garments (India) Limited <sup>(2)</sup>	Standalone	10	1.59	10.80*	6.84%	19.37
3.	N R Vandana Tex Industries Limited <sup>(2)</sup>	Consolidated	10.00	5.03	8.7#	25.46%	19.74

<sup>1</sup> Based on March 31, 2025 restated financial statements

<sup>2</sup> Source: Based on Financial Results of Peer Group Companies

(While we do not have direct listed peers operating with a business model identical to ours, for the purpose of benchmarking industry practices, we have considered Neelam Linens and Garments (India) Limited for our home textile operations and N R Vandana Tex Industries Limited for our e-commerce-related activities.)

<sup>3</sup> Basic & Diluted Earnings per share (EPS) and Net Assets Value per share is calculated on weighted average number of shares.

<sup>4</sup> Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share.

\* As at 28<sup>th</sup> March, 2025 as data of 29<sup>th</sup> and 30<sup>th</sup> was not available due to the weekend (Saturday and Sunday, respectively).

\*\* Number of shares are adjusted by Increase in Capital through issue of Bonus shares on May 02, 2025 in the ratio of 25.75:1 meaning 25.75 Bonus Equity Shares for every 1 equity share held as on record date i.e., April 30<sup>th</sup> 2025.

# The Price to Earnings (P/E) ratio of the Company as at June 04, 2025. As the Company was listed on June 04, 2025, no prior market data is available for comparison.

6. The face value of our shares is ₹10.00 per share and the Issue Price is of [●] per share which is [●] times of the face value.
7. The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager and justified by our Company in consultation with the Book Running Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.
8. **Key performance indicators:**

The KPIs disclosed below have been used historically by Encompass Design India Limited (formerly Encompass Design India Private Limited) the Company to understand and analyze the business performance, which in result, help the company in analyzing the growth of verticals in comparison to the company's peers. The KPIs disclosed below have been approved by a resolution of the Audit Committee dated June 09, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to the Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus.

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

### Key Performance Indicators of our Company.

(Rs. in lakhs)

Key Financial Performance	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations <sup>(1)</sup>	5,464.94	4,004.18	2,162.47
EBITDA <sup>(2)</sup>	1,686.43	1,121.36	56.07
EBITDA Margin (%) <sup>(3)</sup>	30.86%	28.00%	2.59%
PAT	1,079.38	687.90	(129.46)
PAT Margin (%) <sup>(4)</sup>	19.75%	17.18%	-5.99%
Profit after tax growth (%)	56.91%	631.36%	126.00%
Trade Receivables Turnover Ratio (In times) <sup>(5)</sup>	7.97	11.24	8.63
Inventory Turnover Ratio (In times) <sup>(6)</sup>	3.32	2.08	1.19
Trade Payables Turnover Ratio (In times) <sup>(7)</sup>	26.77	2.43	2.78
Net Capital Turnover Ratio (In times) <sup>(8)</sup>	4.54	8.43	4.29
Trade Receivables days (9)	46	32	42
Inventory days (10)	110	176	306
Trade Payable days (11)	14	150	131
Return on equity (%) (12)	50.26%	99.19%	-31.25%
Return on capital employed (%) (13)	40.49%	55.36%	-8.47%
Debt-Equity Ratio (times) (14)	0.44	0.78	2.14
Working Capital Cycle (days) (15)	142	58	217
Net fixed asset turnover ratio (times) <sup>(16)</sup>	36.39	39.15	62.30
Current Ratio (times) <sup>(17)</sup>	2.09	2.03	1.26

### Notes:

- (1) Revenue from operation means revenue from sale of the products
- (2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs - Other Income
- (3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- (4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- (5) Trade receivable turnover is calculated Revenue from operation divided by average trade receivables
- (6) Inventory turnover ratio is calculated Cost of goods sold divided by average inventory
- (7) Trade Payable turnover ratio is calculated Net credit Purchase divided by average trade payable
- (8) Net Capital Turnover Ratio is calculated revenue from operations divided by Average working capital (i.e. Total current assets less Total current liabilities)
- (9) Trade receivable days is calculated as 365 divided by trade receivables turnover by for fiscal years
- (10) Inventory days is calculated as 365 divided by Inventory turnover by for fiscal years
- (11) Trade payable days is calculated as 365 divided by Trade Payable turnover by for fiscal years
- (12) Return on Equity is calculated by Profit for the year less Preference dividend (if any) divided by average total equity
- (13) Return on Capital Employed is calculated as follows: Profit before tax plus finance cost divided by Total Asset - Current Liabilities (net))
- (14) Debt to Equity ratio is calculated as Total Debt divided by equity
- (15) Working Capital Cycle is defined as trade receivable days plus inventory days less trade payable days
- (16) Net fixed asset turnover ratio is calculated by dividing net sales by the average fixed assets
- (17) Current Ratio is calculated by dividing Current assets to Current Liabilities

## Explanations for the certain financial data based on Restated Financial Statements

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business.
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of the business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business
Profit after tax growth	Profit after tax growth provides information regarding the growth of the operational performance for the respective period
Trade Receivables Turnover Ratio	Trade receivables measures how frequently a company converts its accounts receivable into cash over a given period
Inventory Turnover Ratio	Inventory turnover ratio is the number of times a company has sold and replenished its inventory over a specific amount of time
Trade Payables Turnover Ratio	Trade Payable turnover measure the number of times the business is paying off its creditors or suppliers in an accounting period
Net Capital Turnover Ratio	Net Capital Turnover estimates the operating efficiency of a company via its allocation of equity capital
Trade Receivables days	Trade Receivables days is the average number of days required for a company to receive payments from its customers
Inventory days	Inventory days is the average number of days required for a company to convert its inventory into sales
Trade Payable days	Trade Payable days is the average number of days required for a company to pay its suppliers
Return on Equity	Return on equity provides how efficiently the Company generates profits from shareholders' funds
Return on Capital Employed	Return on capital employed provides how efficiently the Company generates earnings from the capital employed in the business
Debt-Equity Ratio	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Working Capital Cycle	Working Capital Cycle is the time it takes to convert net current assets and current liabilities into cash
Net fixed asset turnover ratio	Net fixed asset turnover ratio is indicator of the efficiency with which the company is able to leverage its assets to generate revenue from operations
Current Ratio	The current ratio is a liquidity ratio that measures the company's ability to pay short-term obligations or those due within one year

*As certified by Statutory and Peer Review Auditor, M/s V. K. BESWAL & ASSOCIATES Chartered Accountant vide certificate July 14, 2025.*

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

We have listed peer Companies such as and Neelam Linens and Garments (India) Limited and N R Vandana Tex Industries Limited listed on the Indian Stock Exchanges, of which comparison of Key Performance Indicators as below:

Table 1

(In Lakhs)

Particulars	Encompass Design India Limited (Standalone)			Neelam Linens and Garments (India) Limited (Standalone)		
	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operation <sup>(1)</sup>	5,464.94	4,004.18	2,162.47	11,042.73	10,233.91	10,356.30
EBITDA <sup>(2)</sup>	1,686.43	1,121.36	56.07	1,016.15	781.11	652.52
EBITDA Margin <sup>(3)</sup>	30.86%	28.00%	2.59%	9.20%	7.63	6.30%
PAT <sup>(4)</sup>	1,079.38	687.90	(129.46)	267.95	246.05	237.88
PAT Margin <sup>(5)</sup>	19.75%	17.18%	-5.99%	2.43%	2.40	2.30%

Table 2

(In Lakhs)

Particulars	Encompass Design India Limited (Standalone)			N R Vandana Tex Industries Limited (Consolidated)		
	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operation <sup>(1)</sup>	5,464.94	4,004.18	2,162.47	27080.25	22010.80	19524.14
EBITDA <sup>(2)</sup>	1,686.43	1,121.36	56.07	1,927.97	1,385.50	976.79
EBITDA Margin <sup>(3)</sup>	30.86%	28.00%	2.59%	7.12%	6.29%	5.00%
PAT <sup>(4)</sup>	1,079.38	687.90	(129.46)	859.21	429.40	179.94
PAT Margin <sup>(5)</sup>	19.75%	17.18%	-5.99%	3.17%	1.95%	0.92%

**Notes:**

- (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/Annual Reports of the respected company.
- (2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs - Other Income
- (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- (4) Profit After Tax (PAT) Means Profit for the period/year as appearing in the Restated Financial Statements/Annual Reports of the respected company
- (5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

**Weighted average cost of acquisition****a. The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities)**

The details of issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days is as follows:

**Primary Transactions:**

Date of Allotment	Nature of Allotment	Category	No of equity shares acquired	Face value (₹)	Issue Price (₹)	Nature of Consideration paid	Total Consideration (₹ in lakhs)
08/05/2024	Right Issue	CCPS	16260	10	1230	Cash	199.99
14/05/2024	Right Issue	CCPS	22338	10	1230	Cash	274.76
12/06/2024	Right Issue	CCPS	24371	10	1230	Cash	299.76
14/05/2024	Right Issue	Equity	20	10	1230	Cash	0.25
12/06/2024	Right Issue	Equity	20	10	1230	Cash	0.25

14/02/2025	<b>Right Issue</b>	Equity	23693	10	1912	Cash	453.01
<b>Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share)</b>							1416.37

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

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

**Secondary transactions:**

Date of Transfer	Name of Transfer ee	Category	No of equity shares acquired	Name of Transferor	Face value (₹)	Transfer Price (₹)	Nature of Consideration paid	Total Consideration (₹ in lakhs)
31/03/2024	Yogendra Vashishta	Equity	16821	Vistra ITCL (India) Limited	10	42.00	Cash	7.02
31/03/2024	Ruman Kailash Agarwal	Equity	16820	Vistra ITCL (India) Limited	10	42.00	Cash	7.02
<b>Weighted average cost of acquisition (WACA) Secondary issuances (in ₹ per Equity Share)</b>								42.00

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

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

**a. Weighted average cost of acquisition on issue price**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹[●]/-)	Cap price (i.e. ₹ [●] /-)
(i) Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions	1416.37	N.A	N.A
(ii) Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where our Promoters or	42.00	N.A	N.A

or Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of			
(iii) Since there were no secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Draft Prospectus, which are equal to or more than 5% of the fully diluted paid-up share capital of our Company, the information has been disclosed for price per share of our Company based on the last five secondary transactions where promoter /promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the	N.A	N.A	N.A

*As certified by Statutory and Peer Review Auditor, M/s V. K. BESWAL & ASSOCIATES, Chartered Accountant vide certificate dated July 14, 2025.*

Investors should read the above-mentioned information along with section titled “**Business Overview**”, “**Risk Factors**” and “**Financial Information of our Company**” beginning on page 128, 28 and 104 respectively including important profitability and return ratios, as set out in chapter titled “**Other Financial Information**” on page 232 of this Red Herring Prospectus to have a more inform view.

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## **STATEMENT OF SPECIAL TAX BENEFITS**

To  
The Board of Directors  
Encompass Design India Limited  
Virwani Indl Estate, Shop No. A-101,  
Opp. Western exp highway, Goregaon (E),  
Mumbai, Maharashtra, India – 400063

Dear Sir,

Sub: Statement of Tax Benefits ("The Statement") available to M/s. Encompass Design India Limited ("The Company") [Formerly known as M/s. Encompass Design India Private Limited] and its shareholders under the Direct and Indirect Tax Laws in India

We hereby confirm that the enclosed **Annexure- I** is Prepared by M/s. Encompass Design India Limited ('The Company') [Formerly known as M/s. Encompass Design India Private Limited ] which states that the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed **Annexure- I** cover only the special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of the enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("the Issue") by the Company.

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

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

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

Our views are based on facts and assumptions Indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus or any other issue related material in connection with the proposed initial public offer. If the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

*This certificate is issued based on the information and documents provided to us in this regard and has been issued at the request of the company for onward submission to the Emerge platform of National Stock Exchange for the purpose of*

*the Proposed SME Initial Public Offer (IPO). This certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.*

**For V. K. BESWAL & ASSOCIATES,**  
Chartered Accountants  
Firm Reg No. 101083W

**CA Kunal V Beswal.**  
Partner  
Membership No. 131054

Place: Mumbai  
Date: 21.07.2025

UDIN: 25131054BMHXYR8847  
Certificate no: 2229



## **ANNEXURE – I TO THE STATEMENT OF SPECIAL TAX BENEFITS**

The Information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

### **A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:**

The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

### **B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:**

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

#### **NOTES:**

1. The above Annexure of special tax benefits sets out the provisions of Tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2025-

26. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.

4. In respect of non-residents, the tax rates and con equant taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.

5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Or circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act:

- Deduction under the provisions of Section 10AA.
- Deduction under clause (iia) of sub• section (1) of Section 32 (additional depreciation). Deduction under section 32AD or Section 33AB or Section 33ABA
- Deduction under section 35AD or Section 35CCC Deduction under section BOG

1. Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.
2. This Annexure is intended only to provide general information to the investors and is neither designed nor Intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor Is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
3. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
4. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
5. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## **SECTION VIII – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

### **GLOBAL ECONOMIC OUTLOOK**

#### **Global Growth: Divergent and Uncertain**

Global growth is projected at 3.3 percent both in 2025 and 2026, below the historical (2000–19) average of 3.7 percent. The forecast for 2025 is broadly unchanged from that in the October 2024 World Economic Outlook (WEO), primarily on account of an upward revision in the United States offsetting downward revisions in other major economies. Global headline inflation is expected to decline to 4.2 percent in 2025 and to 3.5 percent in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies.

Medium-term risks to the baseline are tilted to the downside, while the near-term outlook is characterized by divergent risks. Upside risks could lift already-robust growth in the United States in the short run, whereas risks in other countries are on the downside amid elevated policy uncertainty. Policy-generated disruptions to the ongoing disinflation process could interrupt the pivot to easing monetary policy, with implications for fiscal sustainability and financial stability. Managing these risks requires a keen policy focus on balancing trade-offs between inflation and real activity, rebuilding buffers, and lifting medium-term growth prospects through stepped-up structural reforms as well as stronger multilateral rules and cooperation.

#### **Forces Shaping the Outlook**

The global economy is holding steady, although the degree of grip varies widely across countries. Global GDP growth in the third quarter of 2024 was 0.1 percentage point below that predicted in the October 2024 WEO, after disappointing data releases in some Asian and European economies. Growth in China, at 4.7 percent in year-over-year terms, was below expectations.

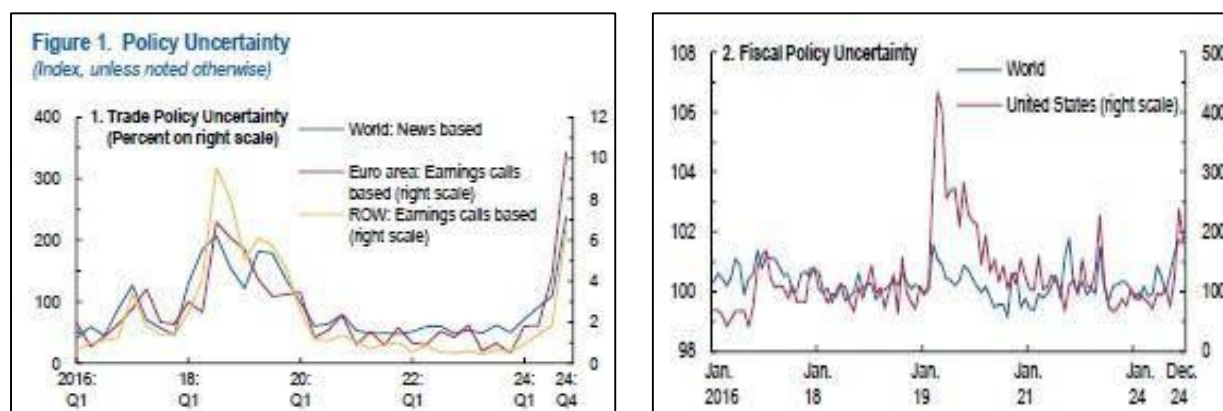
Faster-than-expected net export growth only partly offset a faster-than-expected slowdown in consumption amid delayed stabilization in the property market and persistently low consumer confidence. Growth in India also slowed more than expected, led by a sharper-than-expected deceleration in industrial activity. Growth continued to be subdued in the euro area (with Germany's performance lagging that of other euro area countries), largely reflecting continued weakness in manufacturing and goods exports even as consumption picked up in line with the recovery in real incomes. In Japan, output contracted mildly owing to temporary supply disruptions. By contrast, momentum in the United States remained robust, with the economy expanding at a rate of 2.7 percent in year-over-year terms in the third quarter, powered by strong consumption.

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

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

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

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



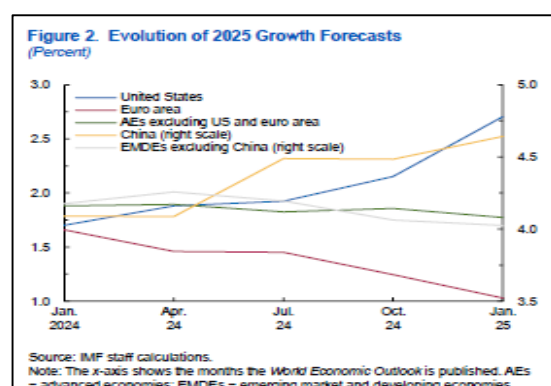
**Sources:** Baker, Bloom, and Davis 2016; Caldara and others 2020; Refinitiv Eikon; and IMF staff calculations.

## The Outlook

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

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

Among advanced economies, growth forecast revisions go in different directions. In the United States, underlying demand remains robust, reflecting strong wealth effects, a less restrictive monetary policy stance, and supportive financial conditions.



Growth is projected to be at 2.7 percent in 2025. This is 0.5 percentage point higher than the October forecast, in part

reflecting carryover from 2024 as well as robust labor markets and accelerating investment, among other signs of strength. Growth is expected to taper to potential in 2026.

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

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

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

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

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

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

**Table 1. Overview of the World Economic Outlook Projections**  
(Percent change, unless noted otherwise)

	2023	Estimate 2024	Projections		Difference from October 2024 WEO Projections 1/		Q4 over Q4 2/			
			2025	2026	2025	2026		Estimate 2024	Projections	
									2025	2026
World Output	3.3	3.2	3.3	3.3	0.1	0.0	3.4	3.2	3.1	
Advanced Economies	1.7	1.7	1.9	1.8	0.1	0.0	1.8	1.9	1.7	
United States	2.9	2.8	2.7	2.1	0.5	0.1	2.7	2.4	2.1	
Euro Area	0.4	0.8	1.0	1.4	-0.2	-0.1	1.1	1.2	1.4	
Germany	-0.3	-0.2	0.3	1.1	-0.5	-0.3	-0.1	0.8	0.9	
France	1.1	1.1	0.8	1.1	-0.3	-0.2	0.7	1.0	1.2	
Italy	0.7	0.6	0.7	0.9	-0.1	0.2	0.6	1.0	0.7	
Spain	2.7	3.1	2.3	1.8	0.2	0.0	3.2	1.9	2.0	
Japan	1.5	-0.2	1.1	0.8	0.0	0.0	0.7	0.8	0.7	
United Kingdom	0.3	0.9	1.6	1.5	0.1	0.0	1.7	1.8	1.3	
Canada	1.5	1.3	2.0	2.0	-0.4	0.0	1.8	2.1	1.9	
Other Advanced Economies 3/	1.9	2.0	2.1	2.3	-0.1	0.0	1.7	2.8	1.7	
Emerging Market and Developing Economies	4.4	4.2	4.2	4.3	0.0	0.1	4.6	4.2	4.2	

Emerging and Developing Asia	5.7	5.2	5.1	5.1	0.1	0.2	5.6	4.9	5.1
China	5.2	4.8	4.6	4.5	0.1	0.4	4.9	4.5	4.5
India 4/	8.2	6.5	6.5	6.5	0.0	0.0	7.5	6.5	6.5
Emerging and Developing Europe	3.3	3.2	2.2	2.4	0.0	-0.1	2.3	2.9	1.6
Russia	3.6	3.8	1.4	1.2	0.1	0.0	2.7	1.2	1.2
Latin America and the Caribbean	2.4	2.4	2.5	2.7	0.0	0.0	2.6	2.7	2.4
Brazil	3.2	3.7	2.2	2.2	0.0	-0.1	4.1	2.1	2.3
Mexico	3.3	1.8	1.4	2.0	0.1	0.0	1.8	1.4	2.1
Middle East and Central Asia	2.0	2.4	3.6	3.9	-0.3	-0.3	...	...	...
Saudi Arabia	-0.8	1.4	3.3	4.1	-1.3	-0.3	5.0	1.2	4.1
Sub-Saharan Africa	3.6	3.8	4.2	4.2	0.0	-0.2	...	...	...
Nigeria	2.9	3.1	3.2	3.0	0.0	0.0	3.5	3.7	3.8
South Africa	0.7	0.8	1.5	1.6	0.0	0.1	1.7	0.6	2.2
<i>Memorandum</i>									
World Growth Based on Market Exchange Rates	2.8	2.7	2.9	2.8	0.1	0.1	2.9	2.7	2.6
European Union	0.6	1.0	1.4	1.7	-0.2	0.0	1.3	1.5	1.7
ASEAN-55/	4.0	4.5	4.6	4.5	0.1	0.0	4.9	3.9	5.0
Middle East and North Africa	1.8	2.0	3.5	3.9	-0.5	-0.3	...	...	...
Emerging Market and Middle-Income Economies	4.5	4.2	4.2	4.2	0.0	0.1	4.6	4.2	4.2
Low-Income Developing Countries	4.1	4.1	4.6	5.4	-0.1	-0.2	...	...	...
World Trade Volume (goods and services) 6/	0.7	3.4	3.2	3.3	-0.2	-0.1	...	...	...
Advanced Economies	0.0	2.2	2.1	2.5	-0.5	-0.3	...	...	...
Emerging Market and Developing Economies	2.0	5.4	5.0	4.6	0.3	0.2	...	...	...
Commodity Prices									
Oil 7/	-16.4	-1.9	-11.7	-2.6	-1.3	1.0	-10.8	-5.0	-2.2
Nonfuel (average based on world commodity import	-5.7	3.4	2.5	-0.1	2.7	-0.9	7.1	0.1	0.5
World Consumer Prices 8/	6.7	5.7	4.2	3.5	-0.1	-0.1	5.2	3.5	3.0
Advanced Economies 9/	4.6	2.6	2.1	2.0	0.1	0.0	2.2	2.1	2.0
Emerging Market and Developing Economies 8/	8.1	7.8	5.6	4.5	-0.3	-0.2	7.6	4.6	3.8

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during October 22–November 19, 2024. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. "..." indicates that data are not available or not applicable. WEO = *World Economic Outlook*.

1/ Difference based on rounded figures for the current and October 2024 WEO forecasts. Countries for which forecasts have been updated relative to October 2024 WEO forecasts account for approximately 90 percent of world GDP measured at purchasing-power-parity weights. 2/ For World Output (Emerging Market and Developing Economies), the quarterly estimates and projections account for approximately 90 percent (80 percent) of annual world (emerging market and developing economies) output at purchasing-power-parity weights.

3/ Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

4/ For India, data and projections are presented on a fiscal year (FY) basis, with FY 2023/24 (starting in April 2023) shown in the 2023 column. India's growth projections are

6.8 percent for 2025 and 6.5 percent for 2026 based on calendar year. 5/ Indonesia, Malaysia, Philippines, Singapore, Thailand. 6/ Simple average of growth rates for export and import volumes (goods and services).

7/ Simple average of prices of UK Brent, Dubai Fateh, and West Texas Intermediate crude oil. The average assumed price of oil in US dollars a barrel, based on futures markets (as of November 20, 2024), is \$ 69.76 for 2025 and \$ 67.96 for 2026.

8/ Excludes Venezuela.

9/ The assumed inflation rate for the euro area is 2.1 percent for 2025 and 2.0 percent for 2026, that for Japan is 2.0 percent for 2025 and 2.0 percent for 2026, and that for the United States is 2.0 percent for 2025 and 2.1 percent for 2026.

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

## **INDIAN ECONOMY**

### **Introduction**

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP for FY25 is estimated at Rs. 33.10 lakh crore (US\$ 3.8 trillion) with growth rate of 9.9%, compared to Rs. 30.12 lakh crore (US\$ 3.5 trillion) in FY24. Strong domestic

demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY25. In FY25, India's exports stood at Rs. 37.31 lakh crore (US\$ 433.56 billion), with Engineering Goods (26.88%), Petroleum Products (13.86%) and electronic goods (8.89%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

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

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

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

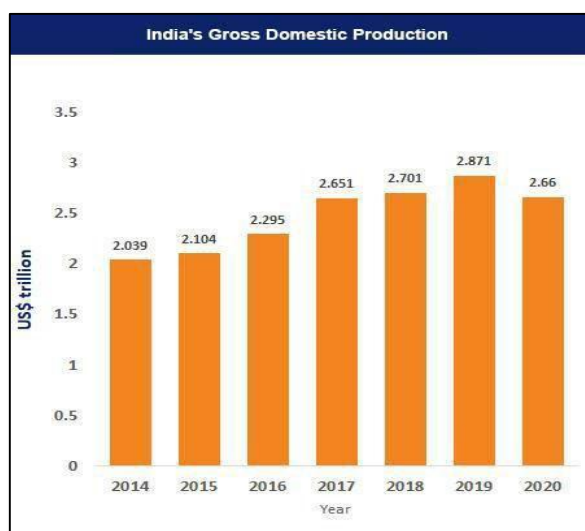
## MARKET SIZE

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

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. The Current Account Deficit (CAD) stood at Rs. 98,095 crore (US\$ 11.5 billion) for Q3 of FY25 as compared to Rs. 88,712 crore (US\$ 10.4 billion) in Q3 of FY24. This was largely due to increase in merchandise trade deficit.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer

Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.



## Recent Developments

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

- The HSBC India Manufacturing PMI increased to 58.4 in April 2025, up from 58.1 in March 2025, based on preliminary estimates. This rise signifies improved operating conditions and represents the most rapid growth pace observed in the past year. Contributing factors



include a notable surge in new export orders, which experienced their most significant increase in over fifteen years, alongside a faster expansion in overall new business activity.

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

## Government Initiatives

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

- According to a report by Wood Mackenzie in January 2025, India, the United States, and West Asia are expected to collectively add 100 Gigawatts (GW) of solar capacity by 2025, while China is anticipated to continue its leadership in the solar industry.
- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM- VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality,

scale, and reach of their products, as well as to integrate them with MSME value chains.

- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Yojana (PMGKAY) from January 1, 2023.

## Road Ahead



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

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

India's total exports of goods and services rose by 5.5% to a record Rs. 69.8 lakh crore (US\$ 820.9 billion) in FY25, compared to Rs. 65.8 lakh crore (US\$ 773.0 billion) in FY24. With a reduction in port congestion, supply networks are being restored. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

## **MANUFACTURING INDUSTRY IN INDIA**

### **INTRODUCTION**

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

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

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

driven manufacturing, which is projected to improve efficiency and enhance productivity.

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

India has the potential to become a global manufacturing hub for wind power components. India is well-positioned to cater to 10% of the global wind energy demand by 2030, leveraging its manufacturing capacity, technology, and global reputation.

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

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



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

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

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

The Union Minister for Finance and Corporate Affairs, Ms. Nirmala Sitharaman announced the "National Manufacturing Mission" in the Union Budget 2025-26 to boost "Make in India" by supporting industries of all sizes with policy frameworks, ease of business, MSME growth, future-ready workforce, and clean tech manufacturing.

According to MeitY, India's digital economy is projected to grow at twice the rate of the overall economy, accounting for 20% of the national income by 2029-30, surpassing both agriculture and manufacturing, driven by digital platforms and widespread digitalisation across sectors.

FDI in India's manufacturing sector has reached Rs. 14,34,224 crore (US\$ 165.1 billion), a 69% increase over the past decade, driven by production-linked incentive (PLI) schemes. In the last five years, total FDI inflows amounted to Rs. 33,31,465 crore (US\$ 383.5 billion).

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

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

## Market Size

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

global consumption at 17%.

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

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

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

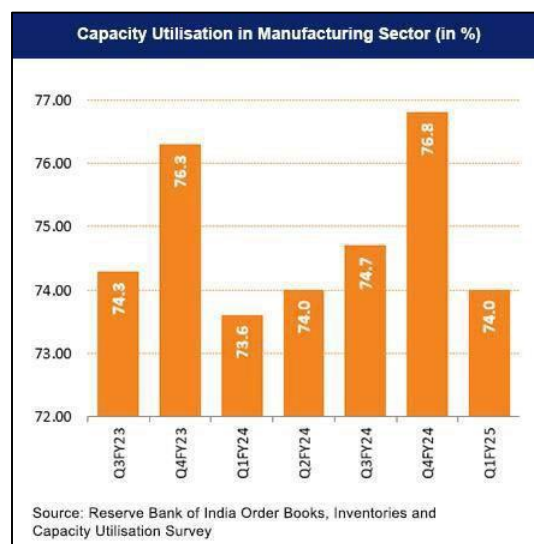
As per the survey conducted by Reserve Bank of India, capacity utilisation in India's manufacturing sector stood at 76.8% in the third quarter of FY24, indicating a significant recovery in the sector.

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

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

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

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



India has potential to become a global manufacturing hub and by 2030, it can add more than Rs. 43,43,500 crore (US\$ 500 billion) annually to the global economy.

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

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

### Government Initiatives

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

- In the Union Budget 2025-26:
  - The Union Budget 2025-26 has been well received by the renewable energy industry, with experts praising its emphasis on clean power, domestic manufacturing, and sustainability. Key initiatives include the Rs. 20,000 crore (US\$ 2.30 billion) allocation for nuclear energy, legislative reforms for energy security, and the Rs. 20,000 crore (US\$ 2.30 billion) commitment to the PM Surya Ghar Muft Bijli Yojana for rooftop solar expansion.
  - On February 7, 2025, the Union Cabinet has approved the restructuring of the Skill India Programme with an Rs. 8,800 crore (US\$ 1.1 billion) outlay, extending it till 2026 to integrate demand-driven, tech-enabled, industry-aligned training nationwide.
  - The Union Cabinet has announced the merger of Pradhan Mantri Kaushal Vikas Yojana 4.0, Pradhan Mantri National Apprenticeship Promotion Scheme, and Jan Shikshan Sansthan Scheme under the Skill India Programme.

- On the 10th anniversary of the 'Make in India' initiative, Union Commerce and Industry Minister Mr. Piyush Goyal reported significant achievements, including an 85% reduction in mobile imports and a 200% increase in manufacturing jobs from 2022 to 2024. He emphasized that 99% of mobile phones in India are now produced domestically, reflecting the initiative's success in transforming India's manufacturing landscape and attracting substantial Foreign Direct Investment (FDI). He highlighted ongoing efforts to improve the ease of doing business and support the startup ecosystem, aiming to position India as a global manufacturing hub and a developed nation by 2047.
- Union Minister of Education and Skill Development & Entrepreneurship, Mr. Dharmendra Pradhan inaugurates Rashtriya Udyamita Vikas Pariyojana under Skill India Mission, empowering PM SVANidhi beneficiaries with comprehensive 22-week entrepreneurship training, including theoretical and practical components, in collaboration with Flipkart and focusing on 40% women participation.
- Semiconductor associations IESA and SEMI signed a Memorandum of Understanding (MoU) in Bengaluru to establish India as a global manufacturing hub, focusing on talent development, policies, design, skilling, research, academia, and supply chains, leveraging SEMI's international network and IESA's expertise.
- Under the Skill India mission, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has trained over 1.40 crore candidates since 2015, as per Skill India Digital data until December 13, 2023. Notably, in the Short-term Training (STT) program, 42% of certified candidates found placement opportunities, with 24.39 lakh candidates successfully placed out of 57.42 lakh certified.
- Ministry of Defence has set a target of achieving a turnover of Rs. 217.18 crore (US\$ 25 million) in aerospace and defence Manufacturing by 2025, which includes Rs. 43,435 crore (US\$ 5 billion) exports.
- Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- By 2030, the Indian government expects the electronics manufacturing sector to be worth Rs. 26,06,100 crore (US\$ 300 billion).
- Initiatives like Make in India, Digital India and Startup India have given the much-needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.
- The PLI for semiconductor manufacturing is set at Rs. 760 billion (US\$ 9.71 billion), with the goal of making India one of the world's major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of Rs. 348.70 crore (US\$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.
- In September 2022, the National Logistics Policy was launched by Prime Minister Mr. Narendra Modi which ensures quick last mile delivery, ends transport-related challenges.
- In India, the market for grain-oriented electrical steel sheet manufacturing is witnessing high demand from power transformer producers, due to the rising demand for electric power and increasing adoption of renewable energy in the country.
- The Mega Investment Textiles Parks (MITRA) scheme to build world-class infrastructure will enable global industry champions to be created, benefiting from economies of scale and agglomeration. Seven Textile Parks will be established over three years.
- The government proposed to make significant investments in the construction of modern fishing harbours and fish landing centres, covering five major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat, along with a multipurpose Seaweed Park in Tamil Nadu. These initiatives are expected to improve exports from the textiles



and marine sectors.

- The 'Operation Green' scheme of the Ministry of the Food Processing Industry, which was limited to onions, potatoes, and tomatoes, has been expanded to 22 perishable products to encourage exports from the agricultural sector. This will facilitate infrastructure projects for horticulture products.

## Road Ahead

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

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

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

**References:** Central Statistics Office, FICCI, Economic Survey of India, DPIIT, Media sources, Ministry of Skill Development and Entrepreneurship, Economic Survey 2022-23, Union Budget 2023-24, Press Information Bureau, News Articles

(Source: <https://www.ibef.org/industry/manufacturing-sector-india>)

## E-COMMERCE INDUSTRY IN INDIA

### Introduction

In recent years India has experienced a boom in internet and smartphone penetration. As of November 2024, India has around 944.7 million wireless internet subscribers, which is increased from 941.5 from October 2024. The smartphone base has also increased significantly and is expected to reach 1.1 billion by FY25. This has helped India's digital sector, and it is expected to reach US\$ 1 trillion by 2030. This rapid rise in internet users and smartphone penetration coupled with rising incomes has assisted the growth of India's e-commerce sector. India's e-commerce sector has transformed the way business is done in India and has opened various segments of commerce ranging from Business-to-Business (B2B), direct-to-consumer (D2C), Consumer-to-Consumer (C2C) and Consumer-to-Business (C2B).

Major segments such as D2C and B2B have experienced immense growth in recent years.

India's e-commerce industry, valued at Rs. 10,82,875 crore (US\$ 125 billion) in FY24, is projected to grow to Rs. 29,88,735 crore (US\$ 345 billion) by FY30, reflecting a compound annual growth rate (CAGR) of 15%.

According to a joint report by real estate consulting firm ANAROCK and retail news platform ETRetail, the sector is further expected to reach Rs. 47,64,650 crore (US\$ 550 billion) by FY35, driven by increasing digital adoption and evolving consumer behaviour.

The Indian Beauty and Personal Care (BPC) market is experiencing rapid growth, projected to reach a GMV of Rs. 2,60,610 crore (US\$ 30 billion) by CY27. This represents 5% of the global beauty industry.

The market is expanding at an annual growth rate of around 10%, making it the fastest-growing BPC market among major economies.

### Market Size

According to a recent report by EY India, generative artificial intelligence (GenAI) could enhance productivity in India's retail industry by 35-37% over the next five years. The report, titled 'The AIda of India: 2025', reveals that 48% of Indian businesses have already initiated proof of concept (PoCs) for GenAI solutions, while another 32% are planning to invest or have allocated budgets for AI adoption.

In January 2025, the Unified Payments Interface (UPI) facilitated a total of 16,996 crore transactions, with the platform

processing over Rs. 23.48 lakh crore (US\$ 270.3 billion) in value.

As reported by Counterpoint Research, India's smartphone market has positioned itself as the second largest in the world by unit volume and the third largest by value in the third quarter of CY24. During this period, India represented 15.5% of global smartphone shipments.

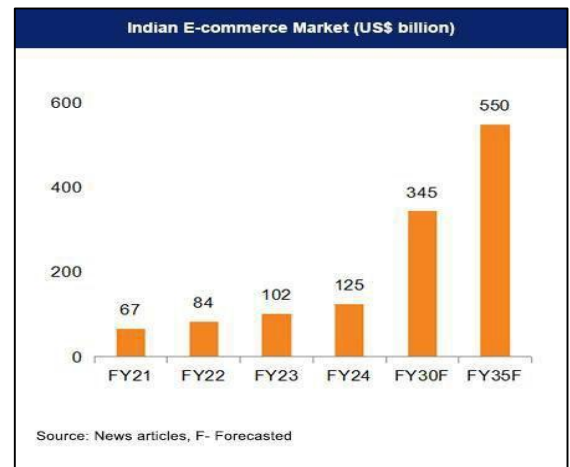
According to the International Data Corporation's (IDC) Worldwide Quarterly Mobile Phone Tracker, India's smartphone market. From April-June 2024, the Unified Payments Interface (UPI) facilitated a total of 2,762 crore transactions, with the platform processing over Rs. 44 lakh crore (US\$ 525.5 billion) in value. It experienced a year-over-year (YoY) growth of 4%, with total shipments reaching 151 million units. The robust performance in the first half of the year, which saw a growth rate of 7%, offset the slower growth in the second half, where the rate was only 2%.

The Government e-Marketplace (GeM) has exceeded last year's record Gross Merchandise Value of Rs. 4 lakh crore (US\$ 46.05 billion) within just 10 months of FY25.

India's e-retail market is projected to exceed US\$ 160 billion by 2028, driven by strong post-pandemic growth and significant potential for expansion, as online spending currently represents only 5-6% of total retail spending compared to much higher rates in the US and China.

India is poised for massive growth, with India's quick commerce market expected to reach Rs. 43,435 crore (US\$ 5.0 billion) by FY25 and Rs. 86,001 crore (US\$ 9.9 billion) by FY29.

India's Business-to-Business (B2B) online marketplace would be a US\$ 200 billion opportunity by 2030.



The Indian e-commerce market is projected to grow from US\$ 123 billion in FY24 to US\$ 292.3 billion in FY28, reflecting a compound annual growth rate (CAGR) of 18.7%.

According to a Deloitte India Report, as India is moving towards becoming the third-largest consumer market, the country's online retail market size is expected to reach US\$ 325 billion by 2030, up from US\$ 70 billion in 2022, largely due to the rapid expansion of e-commerce in tier-2 and tier-3 cities.

The e-commerce industry in India demonstrated remarkable resilience and diversification in FY23, recording a robust 26.2% jump in order volumes. This growth was primarily driven by a 31.1% surge in demand from tier-1 cities, as work-from-office arrangements resumed following the pandemic-induced disruptions.

In FY24, tech and e-commerce giants Google, Meta, Amazon, and Flipkart generated over Rs. 60,000 crore (US\$ 7.19 billion) in advertising revenue, a 9% increase from Rs. 55,053 crore (US\$ 6.60 billion) in FY23.

The e-commerce market's share of Tier-3 cities grew from 34.2% in 2021 to 41.5% in 2022, shows data.

India has the opportunity to significantly increase its share in the global B2C e-commerce market, which is projected to reach US\$ 8 trillion by 2030. With current e-commerce exports at US\$ 2 billion, there is substantial room for growth, particularly in high-demand products.

According to Grant Thornton, e-commerce in India is expected to be worth US\$ 188 billion by 2025.

Propelled by rising smartphone penetration, the launch of the 4G network and increasing consumer wealth, the Indian E-commerce market is expected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion in 2017.

After China and the US, India had the third-largest online shopper base of 150 million in FY21 and is expected to be 350 million by FY26.

Indian consumers are increasingly adopting 5G smartphones even before the rollout of the next-gen mobile broadband technology in the country. Smartphone shipments reached 169 million in 2021 with 5G shipments registering a growth of 555% year-on-year over 2020. Indian consumers are increasingly adopting 5G smartphones even before the rollout of the next-gen mobile broadband technology in the country. Smartphone shipments reached 150 million units and 5G smartphone shipments crossed four million in 2020, driven by high consumer demand post-lockdown. According to a report published by IMAI and Kantar Research, India's internet users are expected to reach 900 million by 2025 from ~622 million internet users in 2020, increasing at a CAGR of 45% until 2025.

For the first week of 2023 festive season, Indian e-commerce platforms generated sales worth US\$ 5.67 billion Gross



Merchandise Value (GMV).

### **Government Initiatives**

Since 2014, the Government of India has announced various initiatives, namely Digital India, Make in India, Start-up India, Skill India, and Innovation Fund. The timely and effective implementation of such programs will likely support the growth of E-commerce in the country. Some of the major initiatives taken by the Government to promote E-commerce in India are as follows:

- The Government e-Marketplace (GeM) platform's Gross Merchandise Value (GMV) doubled in FY24 to cross the Rs. 4 Lakh Crore (US\$ 47.96 billion) mark, driven by a 205% surge in the procurement of services, which accounted for nearly 50% of the total GMV.
- As of March 2024, the GeM portal served 5.8 million orders worth Rs. 3,87,006 crore (US\$ 46.67 billion) with 148,245 primary buyers and 215,743 secondary buyers.
- On February 4, 2024, CSC and ONDC partnered to expand e-commerce reach to rural areas in India. This collaboration integrates CSC's e-Grameen app with the ONDC network, providing citizens across rural India access to a vast e-commerce network, fostering entrepreneurship opportunities and driving the vision of Gram Swaraj.
- On February 14, 2024, the Ministry of Defence (MoD) announced that procurement through the Government e-Market (GeM) portal has exceeded Rs. 1 lakh crore (US\$ 12.06 billion), with nearly half of the transactions occurring in the current fiscal year. GeM, launched in 2016, facilitates online purchases for central government ministries. MoD has executed over 5.47 lakh orders, with approximately Rs. 45,800 crore (US\$ 5.52 billion) awarded this fiscal year. Notably, 50.7% of orders, totalling Rs. 60,593 crore (US\$ 7.31 billion) have been awarded to Micro and Small Enterprises (MSEs). GeM has emerged as a pivotal platform for optimizing public spending in the Defence sector, with the Ministry showcasing a resolute commitment towards efficient procurement practices.
- Government e-Marketplace (GeM) is an online platform for public procurement in India that was launched on August 9, 2016, by the Ministry of Commerce and Industry with the objective of creating an inclusive, efficient, and transparent platform for the buyers and sellers to carry out procurement activities in a fair and competitive manner.
- In FY23, the procurement of goods and services from the government portal crossed the Rs. 2 lakh crore (US\$ 24 billion) mark.
- As of November 2022, the GeM portal has served 12.28 million orders worth Rs. 3,34,933 crore (US\$ 40.97 billion) from 5.44 million registered sellers and service providers for 62,247 buyer organizations.
- In a bid to systematise the onboarding process of retailers on e-commerce platforms, the Department for Promotion of Industry, and Internal Trade (DPIIT) is reportedly planning to use the Open Network for Digital Commerce (ONDC) to set protocols for cataloguing, vendor discovery and price discovery. The department aims to provide equal opportunities to all marketplace players to make optimum use of the e-commerce ecosystem in the larger interest of the country and its citizens.
- National Retail Policy: The government had identified five areas in its proposed national retail policy—ease of doing business, rationalisation of the licence process, digitisation of retail, focus on reforms and an open network for digital commerce—stating that offline retail and e-commerce need to be administered in an integral manner.

### **Road Ahead**

The E-commerce industry has been directly impacting Micro, Small & Medium Enterprises (MSME) in India by providing means of financing, technology and training and has a favourable cascading effect on other industries as well. The Indian E-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second-largest E-commerce market in the world by FY34. Technology-enabled innovations like digital payments, hyper-local logistics, analytics-driven customer engagement and digital advertisements will likely support the growth in the sector. India is also planning to introduce an Open Network for Digital Commerce (ONDC).

ONDC will enable e-commerce platforms to synchronize search results on all the e-commerce platforms and display products and services from every platform. This will further boost business for MSMEs and help fuel India's e-commerce growth. The growth in the sector will further encourage employment, increase revenues from exports, increase tax collection by exchequers, and provide better products and services to customers in the long term.



India has gained 125 million online shoppers in the past three years, with another 80 million expected to join by FY25, according to a report by Kantar.

According to Bain & Company report, India's social commerce Gross Merchandise Value (GMV) stood at ~US\$ 2 billion in 2020. By FY25, it is expected to reach US\$ 20 billion, with a potentially monumental jump to US\$ 70 billion by FY30, owing to high mobile usage.

**References:** Media Reports, Press releases, Business Standard, Economic Times, LiveMint, Times Now, Times of India

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

## **TEXTILE INDUSTRY IN INDIA**

### **Introduction**

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



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

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

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

### **Market Size**

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

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

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

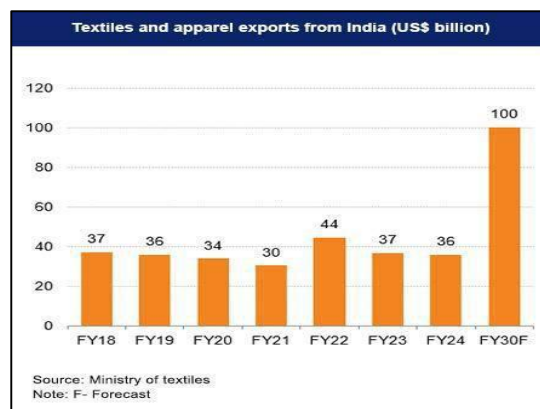
Global apparel market is expected to grow at a CAGR of around 8% to reach US\$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US\$ 1.2 trillion by 2030.

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

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

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

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



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

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

India's textile industry is on the brink of expansion, with total textile export projected to reach US\$ 65 billion by FY26.

India saw a 36.4% increase in industrial design applications, particularly in textiles, accessories, tools, machines, health, and cosmetics.

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

During FY24, the total exports of textiles (including handicrafts) stood at US\$ 35.9 billion. Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-ups/handloom products, man-made yarns/fabs/made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 35.90 billion in FY24. In FY24, exports of readymade garments including accessories stood at US\$ 14.23 billion. India's textile and apparel exports to the US, its single largest market, stood at 32.7% of the total export value in FY24.

In FY25 (April- June) the total exports of textiles stood at US\$ 9.17 billion, In FY25 (April-June), exports of readymade garments including accessories stood at US\$ 2,244 million.

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

### **Road Ahead**

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

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

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

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

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

**References:** Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau, Union Budget 2023-24, Union Budget 2025-26, Invest India.

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

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## OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward- looking statements that involve risks and uncertainties. You should read “*Forward Looking Statements*” on page 20 of this Draft Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in “*Risk Factors*” on page 28 of this Draft Red Herring Prospectus.

This section should be read in conjunction with such risk factors. This section should be read in conjunction with the “*Industry Overview*” on page 112 of this Draft Red Herring Prospectus. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ending March 31 of that year.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “*Financial Information*”, included in this Draft Red Herring Prospectus on page 204.

Unless the context otherwise requires, in this chapter, reference to “Encompass”, “we”, “us”, “our”, “Company” or “Our Company” refers to Encompass Design India Limited.

## OVERVIEW

Our Company was originally incorporated as “Encompass Design India Private Limited” a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 2010 issued by Registrar of Companies, Mumbai. Further, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated March 31, 2025 and consequently, the name of our Company was changed from “Encompass Design India Private Limited” to “Encompass Design India Limited” and a fresh certificate of incorporation dated May 05, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U74210MH2010PLC200672.

Our Company is based in Mumbai, Maharashtra. The registered office is located at Shop No. A-101, Virwani Industrial Estate, Opposite Western Express Highway, Goregaon (East), Mumbai – 400063. The manufacturing unit of the Company is located at Gala No. 7 to 10, 1st Floor, Building No. I-09, Shree Arihant Compound, Bhiwandi, Thane – 421302, Maharashtra.

**Encompass Design India Limited (EDIL)**, operating under the brand name ‘**ScaleSauce**’, is engaged in building and scaling consumer brands in India, with a focus on the **home & living** and **food** segments tailored to the modern urban Indian consumer. The Company was incorporated in 2010 as a trading enterprise and commenced the trading of fabrics . In response to emerging market opportunities, we subsequently **expanded our operations** to include **e-commerce support services**, which we operated alongside our trading activities.

The Company’s core business activities include the manufacturing of home and lifestyle products, such as bed sheets, curtains, comforters, table linens, and pillow covers, as well as food products, with a primary focus on sauces, marketed under its own brands.

In addition to its manufacturing operations, the Company is also involved in the trading of agro-based products, cotton, and fabrics. It further undertakes the sale of various other goods, primarily through gated market platforms, enabling access to niche buyers.

In addition to our product-based operations, the Company offers a comprehensive range of digital and e-commerce support services designed to enable the growth of consumer brands in the online space. These services provide end-to-end solutions across marketing, technology, and operations, catering to both direct-to-consumer (D2C) businesses and corporate clients. Through these offerings, we assist brands in enhancing visibility, expanding their digital presence, and driving sales growth.

Our company is presently promoted by Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta. In addition to their roles as promoters, all are actively involved in the company's management, providing strategic guidance and contributing significantly to key areas such as marketing, branding, operations, and overall business strategy. For Further details, refer to the section titled “Our Management” on page 180 of this Draft Red HerringProspectus.

Our revenues financial year ended on Fiscals 2025, 2024 and 2023 were ₹ 5464.94 lakhs, ₹ 4004.18 lakhs, and ₹ 2169.09 lakhs respectively. Our PAT for the financial year ended on Fiscals 2025, 2024 and 2023 was ₹1079.38 lakhs, ₹ 687.90 lakhs, and a loss of ₹ 129.46 lakhs respectively. For further details, please refer to the section titled “Financial Information” on page 204 of

## KEY PERFORMANCE INDICATORS OF OUR COMPANY

### As per Restated Financial Statement

(₹ in Lakhs)

Key Financial Performance	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations <sup>(1)</sup>	5,464.94	4,004.18	2,162.47
EBITDA <sup>(2)</sup>	1686.43	1121.36	56.07
EBITDA Margin (%) <sup>(3)</sup>	30.86%	28.00%	2.59%
PAT	1,079.38	687.90	-129.46
PAT Margin (%) <sup>(4)</sup>	19.75%	17.18%	-5.99%
Profit after tax growth (%)	56.91%	631.36%	126.00%
Trade Receivables Turnover Ratio (In times) <sup>(5)</sup>	7.97	11.24	8.63
Inventory Turnover Ratio (In times) <sup>(6)</sup>	3.32	2.08	1.19
Trade Payables Turnover Ratio (In times) <sup>(7)</sup>	26.77	2.43	2.78
Net Capital Turnover Ratio (In times) <sup>(8)</sup>	4.54	8.43	4.29
Trade Receivables days <sup>(9)</sup>	46	32	42
Inventory days <sup>(10)</sup>	110	176	306
Trade Payable days <sup>(11)</sup>	14	150	131
Return on equity (%) <sup>(12)</sup>	50.26%	99.19%	-31.25%
Return on capital employed (%) <sup>(13)</sup>	40.49%	55.36%	-8.47
Debt-Equity Ratio (times) <sup>(14)</sup>	0.44	0.78	2.14
Working Capital Cycle (days) <sup>(15)</sup>	142	58	217
Net fixed asset turnover ratio (times) <sup>(16)</sup>	36.39	39.15	62.30
Current Ratio (times) <sup>(17)</sup>	2.09	2.03	1.26

#### Notes:

- (1) Revenue from operation means revenue from sale of the products
- (2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs - Other Income
- (3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- (4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- (5) Trade receivable turnover is calculated Revenue from operation divided by average trade receivables
- (6) Inventory turnover ratio is calculated Cost of goods sold divided by average inventory
- (7) Trade Payable turnover ratio is calculated Net credit Purchase divided by average trade payable
- (8) Net Capital Turnover Ratio is calculated revenue from operations divided by Average working capital (i.e. Total current assets less Total current liabilities)
- (9) Trade receivable days is calculated as 365 divided by trade receivables turnover by for fiscal years
- (10) Inventory days is calculated as 365 divided by Inventory turnover by for fiscal years
- (11) Trade payable days is calculated as 365 divided by Trade Payable turnover by for fiscal years
- (12) Return on Equity is calculated by Profit for the year less Preference dividend (if any) divided by average total equity
- (13) Return on Capital Employed is calculated as follows: Profit before tax plus finance cost divided by Total Asset - Current Liabilities (net))
- (14) Debt to Equity ratio is calculated as Total Debt divided by equity
- (15) Working Capital Cycle is defined as trade receivable days plus inventory days less trade payable days
- (16) Net fixed asset turnover ratio is calculated by dividing net sales by the average fixed assets
- (17) Current Ratio is calculated by dividing Current assets to Current Liabilities

## VISION

To be at the forefront of meeting the fast-changing new India's consumer needs, taste and aspirations by building a portfolio of premium, innovative brands for the new affluent and younger generation Indian consumer.

## OUR MISSION



To create and scale premium, digital-first consumer brands across diverse categories by identifying potentially large white spaces across categories where the needs and aspirations of the new India are being unmet, unrecognised or under-served, and responding with superior product innovation, resonating brand strategies, agile operation, data-driven and technology-enabled high impact marketing.

## OURSTRENGTHS

### ***Strong Brand and Innovative Products***

Our brands offer unique, high-quality products that stand out in the market. Stoa Paris features innovations like UltraSatin fabric, which is gentle on skin and hair, while Small Batch uses premium ingredients and exclusive recipes to deliver a superior taste. These innovations help us charge premium prices and build strong customer loyalty.

### ***Agile and Scalable Business Model***

We have built a flexible business model that supports efficient scaling. For Home and Living, we manage in-house design and production. For Food and Beverages, we develop recipes internally and work with cloud kitchens for production. Our warehousing and logistics operations ensure quality and efficiency across both segments.

### ***Experienced Leadership and Business Synergies***

Our promoters bring decades of experience across key business functions. This helps us respond quickly to market trends and drive growth. We also benefit from operational synergies like shared infrastructure, supplier networks, and distribution channels across our brand portfolio.

### ***Technology and Data Capabilities***

We offer custom-built e-commerce solutions designed to increase sales and showcase brand stories effectively. Our systems collect and analyze data across different channels, products, and customer groups to track performance. We also use integrated inventory management tools that help us monitor stock, forecast demand, and optimize operations across warehouses and fulfilment centres. In addition, we use AI tools in various areas like product design, content creation, and marketing to improve efficiency and results.

## OURSTRATEGIES

### ***Structured Brand Building and Scaling***

We follow a clear, data-driven approach to building and growing our brands. This process starts with identifying unmet needs among premium Indian consumers and creating products and brands to address them. We first ensure each brand has a strong product-market fit through customer feedback, repeat purchases, and healthy marketing performance. Once validated, we scale the brand by launching new products, expanding into more channels, and increasing marketing investments, while maintaining strong unit economics.

### ***Multi-Channel Distribution for Wider Reach***

Our distribution strategy is designed to reach customers through multiple channels. We sell directly through our own websites, where we focus on delivering a strong customer experience and brand storytelling. We also sell through major online marketplaces like Amazon and Myntra, ensuring high visibility and easy access for consumers. In addition, we work with Gated Markets to reach exclusive customer groups, and we are now preparing to launch offline channels to further grow our market presence.

### ***Data-Led Marketing and Brand Growth***

We use data-led marketing to build our brands and acquire customers efficiently. Our digital advertising strategy spans platforms like Google and Meta, with constant optimisation to improve return on ad spend. Content marketing and influencer partnerships help us engage audiences and grow brand trust. We also run personalised email and WhatsApp campaigns to build stronger



relationships, encourage repeat purchases, and improve customer lifetime value.

### ***Continuous Innovation and Portfolio Expansion***

Our strategy includes continuously launching new products to meet changing customer needs and expand our reach. We use consumer insights and market research to identify opportunities for innovative, high-quality products at competitive prices. This helps us strengthen relationships with existing customers while attracting new ones. With our strong supply chain and operational infrastructure, we are able to bring new products to market quickly without compromising on quality or brand standards.

Our business is divided into three parts as follows:

1. Manufacturing and Sales Through Brands
2. Trading and Gated Market
3. Services

## **1. Manufacturing and Sales Through Brands**

Encompass Design India Limited (EDIL), operating under the brand name 'ScaleSauce', is a company that builds and grows consumer brands in India. We work in areas like home & living and food, focusing on products for today's urban Indian customer. We started in 2010 as a trading company and later became an e-commerce support business. In the financial year 2022–23, we shifted our focus to creating and growing our own digital-first brands.

As of March 2025, our brand portfolio includes Stoa Paris (a home and living brand offering modern, French-inspired designs that bring dramatic aesthetic and comfort differentiation to the home decor segment), QuirkLoom (a home & living brand offering bold, eclectic products designed to add personality and flair to homes and personal spaces of today's youth) and Small Batch (A brand specialising in gourmet high-quality, chef-made, small-batch sauces designed to elevate everyday dining experiences).

Our multi-channel approach spans direct-to-consumer (D2C) platforms, leading e-commerce marketplaces, gated markets, and other strategic sales channels.

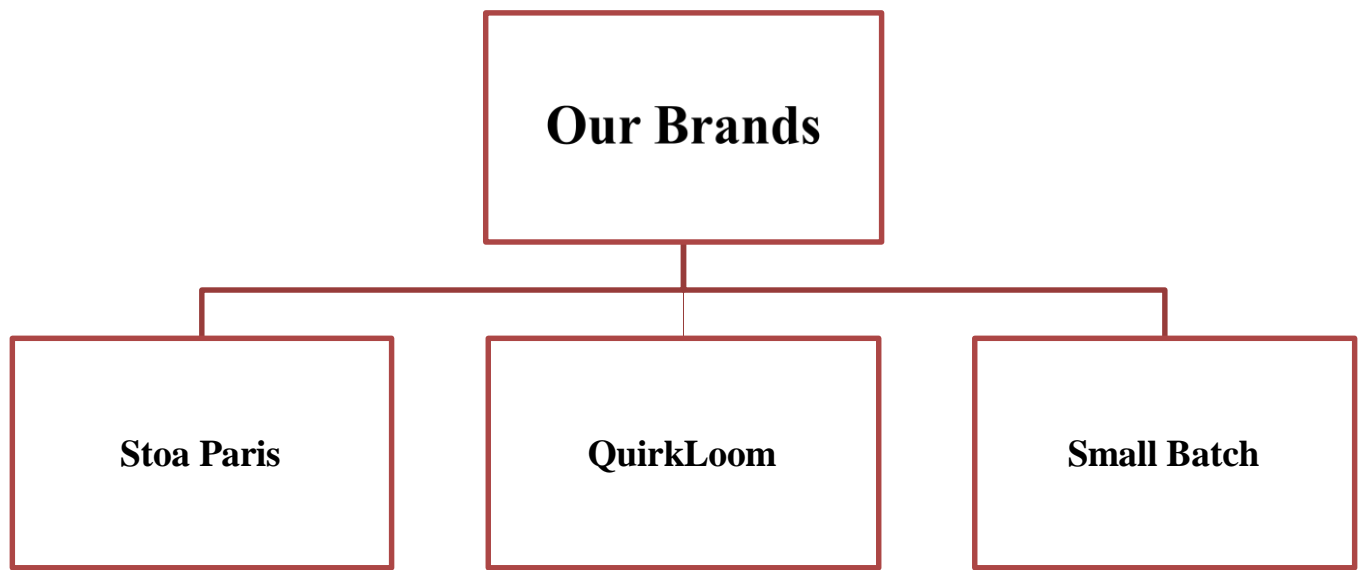
### ***Online Business through prominent E-commerce platforms***

Our products are sold through most popular and commonly used e-commerce trading platforms such as Amazon, Myntra, Nykaa Fashion, and other leading platforms. These virtual store fronts are designed with the intention of providing customers a positive shopping and brand experience, showcasing our products in an easy-to-navigate format, allowing consumers to browse from our varieties of products. In our experience, these virtual stores provide an efficient and effective E- distribution channel, which has proven to be a convenient option for our customer.



AMAZON	MYNTRA	NYKAAFASHION
Stoa Paris		
<a href="https://www.amazon.in/s?k=stoa+paris&amp;crd=1T94GH2B4WYJK&amp;sprefix=stoa+%2Caps%2C1391&amp;ref=nb_sb_ss_mvt-t11-ranker_2_5">https://www.amazon.in/s?k=stoa+paris&amp;crd=1T94GH2B4WYJK&amp;sprefix=stoa+%2Caps%2C1391&amp;ref=nb_sb_ss_mvt-t11-ranker_2_5</a>	<a href="https://www.myntra.com/stoa-paris?rawQuery=stoa%20paris">https://www.myntra.com/stoa-paris?rawQuery=stoa%20paris</a>	<a href="https://www.nykaafashion.com/stoa-paris-champagne-satin-double-bedsheet-with-2-pillow-covers/p/18478762">https://www.nykaafashion.com/stoa-paris-champagne-satin-double-bedsheet-with-2-pillow-covers/p/18478762</a>
QuirkLoom		

<a href="https://www.amazon.in/s?k=QuirkLoom&amp;crid=1CA9VYSKDLBJM&amp;prefix=quirkloom%2Caps%2C358&amp;ref=nb_sb_no_ss_1">https://www.amazon.in/s?k=QuirkLoom&amp;crid=1CA9VYSKDLBJM&amp;prefix=quirkloom%2Caps%2C358&amp;ref=nb_sb_no_ss_1</a>	<a href="https://www.myntra.com/quirkloom?rawQuery=QuirkLoom">https://www.myntra.com/quirkloom?rawQuery=QuirkLoom</a>	<a href="https://www.nykaafashion.com/quirkloom-dunk-dreams-double-bedsheet-with-2-pillow-covers/p/18475951">https://www.nykaafashion.com/quirkloom-dunk-dreams-double-bedsheet-with-2-pillow-covers/p/18475951</a>
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#### A. Stoa Paris

Stoa Paris is a home and lifestyle brand that creates products inspired by French style. It is suited for people who want their homes to feel stylish, comfortable, and practical. The brand offers items like bedsheets, comforters, and home décor, all made with modern designs and quality materials.

In the financial year 2025-26, we have commenced the export of Stoa Paris products, marking our entry into international markets. This development is a strategic step towards expanding our global presence and positioning Stoa Paris as a distinctive Indian brand on the world stage.

- **Bedsheets:** Our product range is designed with a focus on modern style and good manufacturing practices. We use quality fabrics and reliable production methods to make bedsheets that are soft, long-lasting, and well-finished.

We handle key parts of our operations, including in-house design, sourcing of raw materials, quality control, and distribution. This helps us keep a steady level of quality and meet customer expectations. Our products are sold through online platform, helping us reach a wide and growing number of customers across India.

#### Flat Bedsheets

Our premium bedsheet sets, crafted for modern home fashion, are available in two luxurious materials-UltraSatin, a proprietary sateen fabric known for its skin-friendly, quick-drying properties and elegant sheen, and 300 thread count cotton, offering breathable comfort and long-lasting softness.



### **Fitted Bedsheets**

Our Precision-Fit Bedsheets, crafted from UltraSatin—a luxe, skin-friendly fabric that's quick-drying and gentle on hair. Designed with deep pockets for a secure fit, they're machine washable, shrink-resistant, and wrinkle-resistant.



### **Comforters & Duvets**

Comforters with UltraSatin exterior and 150 GSM filling, designed for consistent comfort throughout the year. They are temperature-regulating, hypoallergenic, and machine washable. Available in all design collections.



### **Curtains**

Our curtain range includes two distinct styles: the Date Night Velvet Curtains, made from high-quality velvet in six European-inspired colors, offering light-filtering privacy, thermal insulation, and easy maintenance; and the Versailles Satin Curtains, crafted from patterned UltraSatin in six regal designs, featuring privacy-lining, shrink resistance, and

availability in three sizes. Both options are machine washable and designed for easy installation.



### Pillow Covers



### Table Linen



## **B. QuirkLoom**

Quirkloom is a bold and eclectic lifestyle brand focused on creating unique and expressive products for younger audiences. Our brand stands out by offering fun, personality-driven designs that reflect individuality and creativity.

We plan to build a wide range of home and lifestyle products, including quirky textiles and home décor items. These products are made to bring life, color, and character to modern living spaces. Quirkloom aims to appeal to customers who enjoy vibrant and different styles, helping them express their personality through the things they use and display at home.

### BedSheet





### Comforters & Duvets

Comforters made with an UltraSatin exterior and 150 GSM filling, offering year-round usability. They help regulate temperature, are hypoallergenic, machine washable, and available across all design collections.



### C. Small Batch

Smallbatch is our in-house premium brand offering a curated range of sauces and condiments crafted for customers who enjoy gourmet flavours at home. The brand is built on the pillars of quality, taste, and authenticity, aiming to bring restaurant-style experiences to everyday kitchens.







The entire product journey—from market research and recipe development with expert chefs to sourcing high-quality ingredients and ensuring production through trusted partners—is closely managed by our team. Each product is made in small batches, maintaining high standards of consistency, safety, and flavour.

Following production, we oversee bottling, packaging, and quality checks through a structured process that ensures product integrity, traceability, and compliance with regulatory norms. Our goal is to deliver products that not only meet premium quality benchmarks but also enhance the everyday cooking experience for our customers. Through Smallbatch, we reflect our commitment to innovation, superior taste, and delivering value to the modern, discerning consumer.

We offer a wide variety of sauces that cater to different tastes and preferences:

1. **Seasonal Batches:** These are special edition sauces made in small batches using the best seasonal ingredients. For example, our Mango Mustard is made using fresh mangoes during the mango season.
2. **Gourmet Sauces:** These are premium quality sauces prepared by expert chefs. They are suitable for both cooking and dipping, made to offer a rich and flavourful experience. An example is our Crispy Chilli Oil.

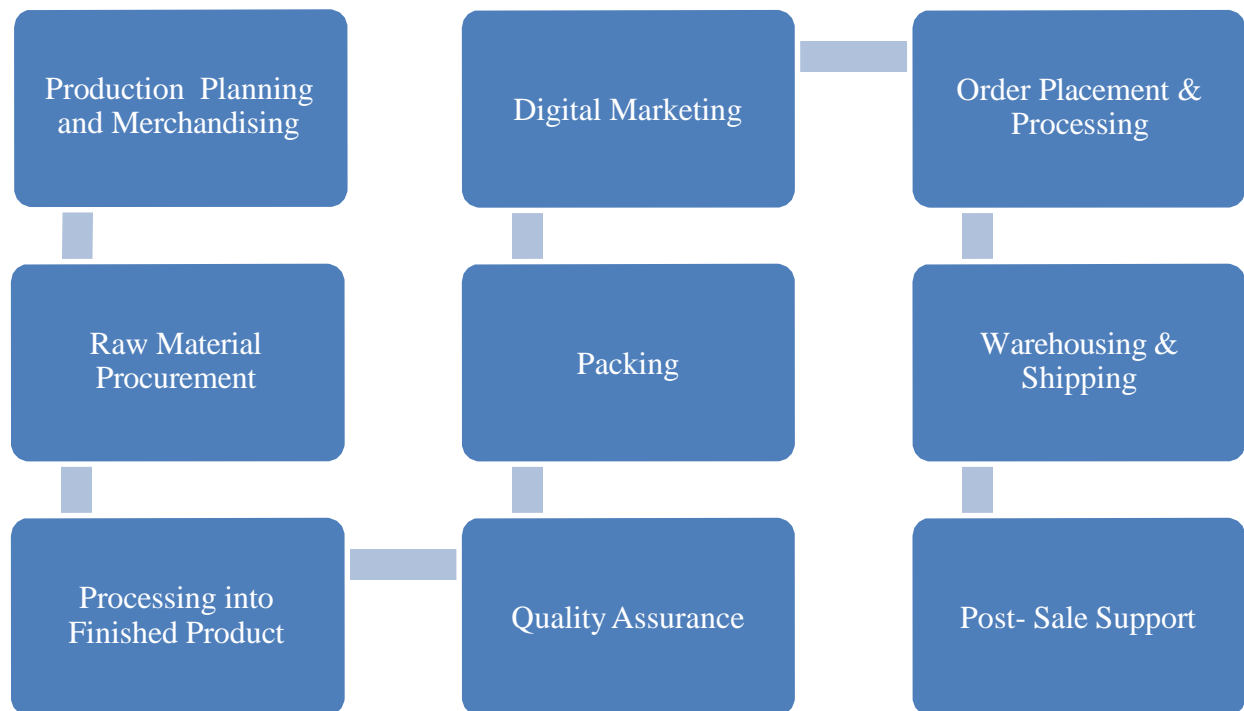
3. **Signature Honeys:** This is a unique range of honey blended with Arabica coffee and made from 100% organic forest honey. These are specially crafted to offer a distinctive taste.
4. **Red Hot Batch:** This is our spiciest sauce collection. It offers bold and fiery versions of classic flavours, made for those who enjoy strong and hot tastes.

<p>Bean Infused Crispy Chilli Oil</p> 	<p>Bhavnagri Chilli Mango Salsa Sauce</p> 	<p>Umami Thai Chilli Basil Sauce</p> 
<p>Chilli-Kissed Mango Hot Sauce</p> 	<p>Dark Roast Vanilla Coffee Honey</p> 	<p>The Red Hot Curation</p> 

### MANUFACTURINGPROCESS

There are different stages that are involved in our process, each stage is crucial and of utmost importance for the project to have its required quality and standard. We ensure quality control checks at each of the stages. Our process for manufacturing of Bed Sheets, Comforters & Duvets, Curtains, Pillow Covers, Table Linen consists of the following stage:

**Bed Sheets, Comforters & Duvets, Curtains, Pillow Covers, Table Linen:**



#### **Manufacturing process steps:**

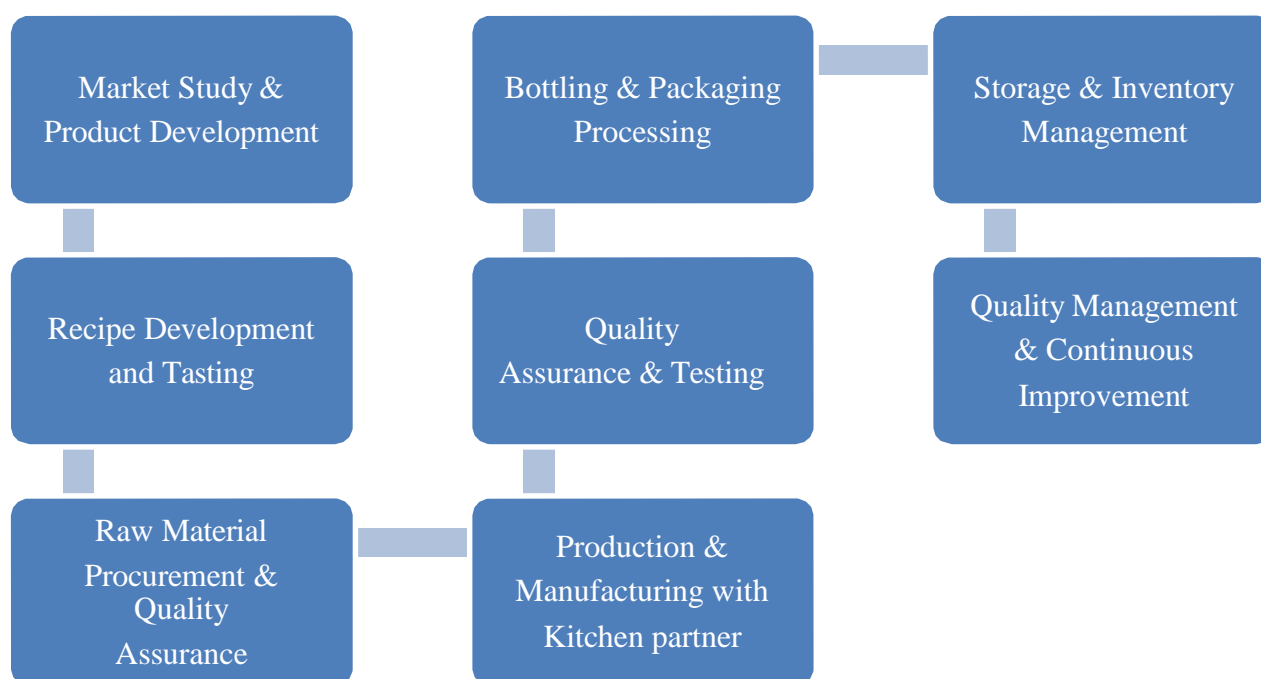
1. **Production Planning and Merchandising:** This stage involves estimating expected sales through analysis of past performance and market research. Based on this forecast, collections are aligned with customer demand and seasonal trends. Inventory is managed to maintain optimal stock levels, avoiding overproduction or shortages. Production capacity is planned by allocating slots based on order volumes and delivery timelines. Each stage of the workflow—cutting, sewing, pressing, and finishing—is scheduled in advance to ensure smooth operations. Coordination with external vendors and job workers ensures that all logistics are aligned for timely delivery.
2. **Raw Material Procurement:** The procurement process begins with identifying reliable suppliers for fabrics, dyeing, and printing. Sampling is developed to meet product requirements, and approvals are obtained for lab dips and strike-offs before bulk production begins. Orders are placed after negotiating minimum quantities and pricing. Lead times are carefully planned to ensure materials arrive in sync with the production schedule. The cost structure includes material costs (fabric, dyeing, trims), labour charges for processing, and overheads such as warehousing and logistics. All these inputs are used to calculate the final selling price while maintaining profitability.
3. **Processing into Finished Product:** After raw materials are procured and approved, the next phase includes inspecting fabrics and converting them into finished garments. Fabric is checked for quality before cutting and sewing. Manual cutting machines are used to shape fabric, which is then sewn and pressed as per technical guidelines. Quality control is carried out during and after each stage, with final inspections before packing. Labels, barcodes, and price tags are attached to the garments during packing, and a final quality check ensures the goods meet customer expectations before they are dispatched.
4. **Quality Assurance:** This step focuses on physical testing of the fabric to ensure durability and compliance with specifications. Tests are conducted for fabric construction (yarn quality, weight in GSM), shrinkage after washing, pilling resistance, and colour fastness against washing, rubbing, and sunlight exposure. These tests help maintain consistent product quality and avoid post-sale issues.
5. **Packing:** Packaging materials are chosen based on sustainability aesthetics, practicality and cost-effectiveness, including polybags, boxes, inserts, and labels.
6. **Digital Marketing:** Marketing efforts are strategically planned with monthly sales targets for each brand across digital channels. Budgets are allocated based on expected returns, and marketing calendars are synced with product launches. Campaigns are closely monitored for efficiency, including customer acquisition metrics, and return on ad spend.



Marketplace performance is optimized by refining keywords, maintaining pricing parity, and tracking competitors.

7. **Order Placement & Processing:** Orders from all platforms, including websites and marketplaces, are captured and verified. Payment gateways and inventory systems are synced to avoid mismatches. Address validation, fraud detection, and reconciliation with finance teams ensure smooth processing. Orders are fulfilled and prioritized based on delivery commitments. Continuous monitoring of the checkout process, customer behaviour, and cart abandonment helps improve conversion rates and overall efficiency.
8. **Warehousing & Shipping:** Inventory for all active SKUs is monitored and replenished based on sales velocity. Warehouse operations are optimized for quick picking and packing, with embedded quality control checkpoints. Shipping partners are monitored to keep logistics costs under control and ensure timely deliveries. Delivery performance is tracked region-wise, and any delays or exceptions are proactively communicated to customers to ensure transparency and trust.
9. **Post- Sale Support:** Customer service operations are structured to ensure quick responses and resolution of queries. Support tickets are analysed to identify systemic issues that can be fixed at the root. Data on returns is used to improve product design and quality. Customer reviews and satisfaction levels are constantly monitored, and feedback is used to improve service and retention.

**The process flow for production of our SmallBatch products consists of the following stages:**



#### **Process flow steps:**

1. **Market Study & Product Development:** This phase focuses on understanding market dynamics and customer preferences. Consumer insights are gathered through trend analysis, competitor benchmarking, and regional taste studies. Market potential is assessed by defining target segments, evaluating pricing strategies, and exploring distribution channels. Based on these findings, a new product development strategy is established. This includes defining the product type, flavor profile, pricing, and brand story, along with setting technical requirements such as shelf life, packaging, nutrition, and batch volumes.
2. **Recipe Development and Tasting:** In this phase, recipes are developed in partnership with specialised chefs. The process starts by selecting the right partners, defining IP ownership, and setting quality standards. Base recipes are created using authentic ingredients and documented for accuracy. These recipes are then scaled to commercial batch sizes. Tasting trials follow, beginning with internal panels and followed by feedback-driven refinement with chefs.

This ensures that the final product is consistent, authentic, and ready for production.

3. **Raw Material Procurement & Quality Assurance:** This phase ensures timely and quality procurement of raw materials. Purchase orders are managed to meet production schedules while maintaining inventory based on demand trends. Supplier relationships are built for long-term collaboration. Upon receipt, materials undergo quality inspection through laboratory testing, including nutritional analysis and shelf-life validation, to ensure compliance with product specifications.
4. **Production & Manufacturing with Kitchen Partner:** Production is scheduled in collaboration with kitchen partners, considering demand forecasts and raw material availability. Each batch is planned and documented for traceability, including lot numbers and personnel involved. The production process includes pre-production checks, standardised cooking procedures, and in-process quality controls. Environmental parameters like temperature and hygiene are tightly regulated to meet food safety standards. Critical control points such as pH and temperature are monitored throughout the cooking process, and detailed logs are maintained for every batch.
5. **Quality Assurance & Testing:** Each batch undergoes a comprehensive quality assessment before packaging. Physical inspections evaluate visual consistency, texture, and absence of defects. Chemical analysis confirms nutritional accuracy and checks preservative levels. Sensory evaluations are conducted by a panel, followed by chef or quality manager approval. Only compliant batches are released for packaging, with appropriate documentation and inventory updates for traceability.
6. **Bottling & Packaging:** Packaging begins with inspecting and sanitising jars and materials. Labels are applied and verified for accuracy and compliance with regulatory standards. Sauces are poured using calibrated equipment to ensure consistency in fill levels. Lids are securely sealed for shelf stability. Final packaging includes placing jars in protective materials, adding promotional content, and applying shipment labels. All packaging is inspected to ensure integrity and readiness for distribution.
7. **Storage & Inventory Management:** Post-production, finished goods are stored in a temperature-controlled environment with proper air circulation. Products are organised by type using FIFO system. A real-time inventory management system records all movements and maintains high accuracy through barcoding and regular cycle counts.
8. **Quality Management & Continuous Improvement:** A structured quality management system is maintained, including version-controlled recipes, updated SOPs, and documentation. Continuous improvement initiatives include monitoring customer feedback, optimising production processes, and introducing innovations like seasonal products, cost-saving measures, and process upgrades for efficiency.

## 2. Trading and Gated Market

### - Trading

Our Company is engaged in the trading of Agro Byproducts and Textile Fabrics. We follow a lean and efficient model with centralized operations managed from our Head office in Mumbai.

In our Agro Byproducts segment, we procure goods directly from farmers, primarily based in Punjab, and sell them to reliable intermediaries. The goods are dispatched directly from the supplier (farmer) to the buyer's location, which helps us avoid additional warehousing costs and minimize product wastage. This trading activity includes products such as Mustard Husk, Mustard, Maruti Twine, Cotton Straw, and Paddy Bails.






In the Textile Fabric segment, we trade in roll-form fabrics with a strong presence in markets like Ahmedabad and Bhiwandi. We work closely with suppliers and buyers in these regions, enabling fast deliveries and better control over our supply chain.

Our trading operations are built on direct sourcing, regional focus, and efficient logistics - allowing us to maintain healthy margins and scale with market demand.

**The following is the list of products traded by our Company:**

### Biomass Products

These are agricultural residues or byproducts which are used for burning in small boiler to produce heat energy/steam for various purposes, and sold as Boiler feed fuel to small and medium boiler operators as cleaner alternative coal.

1		<b>Cotton Straw</b>	Cotton stems, commonly known as cotton straw, are collected by farmers during the harvesting process. After drying, they are chipped and used as an agro-residue fuel. Cotton straw has an average calorific value of around 2800 kcal/kg and contains approximately 5% ash.
2		<b>Mustard Husk</b>	Stems of the Mustard plant, collected during the harvesting of Mustard seeds. It offers a calorific value of approximately 2800 kcal/kg.
3		<b>Paddy Bale</b>	Paddy straw, left in the fields after rice harvesting, is a low-value agricultural residue. It is typically collected and baled for easier handling and transport. Paddy bales are commonly used for animal feed, bedding, composting, mushroom cultivation, and as boiler fuel for small boilers. The average calorific value is around 2000 kcal/kg.
4		<b>Moong Straw</b>	Waste stems from the Mentha (Mint) plant, collected from herbal or medicinal industries after oil extraction. Calorific value is around 3000 kcal/kg.
5		<b>Rice Husk</b>	Rice husk is a low-cost and renewable bio-based adsorbent for wastewater treatment. Rice husk is a hydrophilic agricultural by-product obtained when the protective shell is removed from the rice grain. This is a byproduct of rice millers. It has excellent thermal stability, long storage life without degradation, and is very dense resulting in lower storage and transportation cost. The calorific value of rice husk is 4000 kcal/kg.



## - Gated Market

Our Company is active in the **Gated Markets** segment, where we connect well-known rewards and loyalty programs with top brands. These gated markets are private platforms meant for selected users like employees, customers, or members of loyalty programs – not open to the general public.

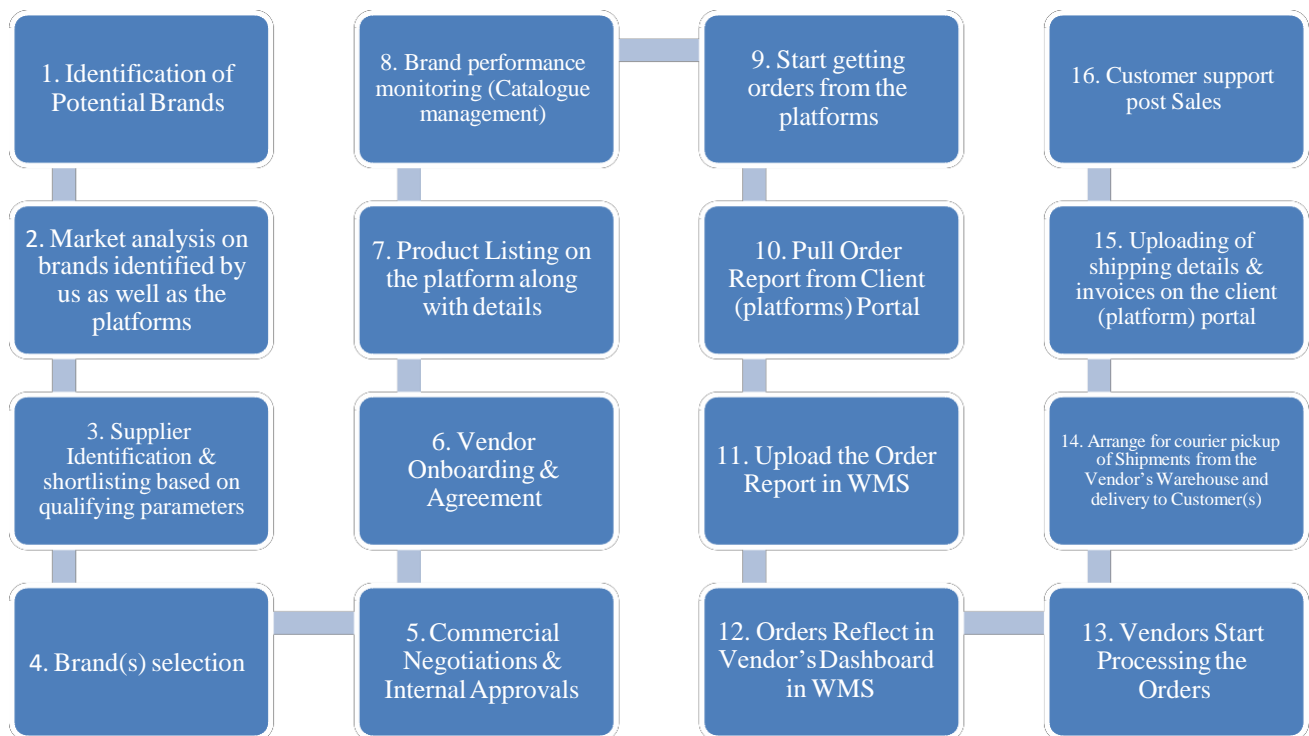
We have been a trusted partner for some of the country's leading rewards and loyalty programs. Through us, they offer their members special access to branded products at highly attractive prices. This helps them keep their members happy and loyal. At the same time, brands benefit by reaching new customers through a cost-effective sales channel. By working with us, brands enjoy:

- Lower costs to gain new customers,
- A way to clear unsold stock without affecting their public image, and
- Fewer product returns, as the users are informed and more satisfied.

Our easy-to-use technology makes it simple for brands and loyalty programs to work with us. This smooth process builds long-term relationships and helps everyone involved succeed.

This Gated Markets segment adds strong value to our business by creating a win-win situation for brands, loyalty program partners, and end customers, while supporting our long-term growth.

## **Brand on-boarding & order processing Workflow**



### **Process Details**

#### **1. Identification of potential brands**

We identify potential brands in two main ways. First, our internal teams are constantly on the lookout for new and high-potential brands that align with our business. Second, we also receive brand or category requirements directly from our platform partners, based on their user preferences or market demand.

#### **2. Market analysis on brands identified by us, as well as the platforms**

Once potential brands are identified, we conduct detailed market research. This includes visiting trade fairs, expos, and brand showcases to understand current trends. We also carry out online research to study brand performance, gather recommendations through our distributor networks, and explore referrals. We assess each brand's product uniqueness, pricing strategy, and customer feedback to determine if it's a good fit for our platform.

#### **3. Supplier Identification & shortlisting based on qualifying parameters**

After selecting brands, we search for reliable suppliers using industry databases, past purchase records, and trusted sources. We evaluate their ability to supply products consistently, check their credibility, and ensure they follow legal and quality standards. Based on commercial terms, fulfilment timelines, and overall reliability, we prepare a shortlist of suitable suppliers.

#### **4. Brand(s) selection**

We reach out to shortlisted brands to confirm their interest in working with us. Next, we verify their legal and compliance documents, including GST, PAN, and MSME registration. We also assess whether their business model and operations align with our platform's goals. Then we check if their product margins meet our requirements. A detailed proposal is prepared with product details like SKU, descriptions, EAN codes, sizes, weights, HSN code, GST rate, and images for final review.

## **5. Commercial Negotiations & Internal Approvals**

In this step, we finalize the commercial terms with the brand. This includes negotiating margins for reward programs, payment terms, bulk discounts, and other commercial components like listing fees, volume rebates, and product retention fees. Once all terms are agreed upon, we obtain internal approvals to proceed with the partnership.

## **6. Vendor Onboarding & Agreement**

We formalize the partnership by documenting the final commercial terms. We collect all mandatory documents from the vendor and share them with our internal finance team for registration. The signed agreement is stored securely and acknowledged by both parties, marking the official onboarding of the vendor.

## **7. Product Listing on the platform along with details**

After onboarding, product details are submitted to the platform for listing approvals. Before going live, a quality check is conducted to ensure product data is accurate and complete. Once approved, the products are listed across the platform for user access.

## **8. Brand performance monitoring (Catalogue management)**

Once the products are live, we coordinate with the platform for the launch and continuously monitor sales and redemption data. We also oversee the overall performance of the brand and ensure smooth operations, making adjustments as needed to improve results.

## **9. Start getting orders from the platforms**

After listing, the products begin receiving orders from the platform users. These orders mark the start of the brand's active participation in the gated market.

## **10. Pull Order Report from Client (platforms) Portal**

We log in to the client's platform portal and download the order report. This report includes all essential information such as customer details, order quantity, product SKUs, and shipping addresses, which is required for processing.

## **11. Upload the Order Report in WMS**

The downloaded order report is uploaded into our Warehouse Management System (WMS). This ensures that all order data is recorded and can be seamlessly tracked throughout the order processing cycle.

## **12. Orders Reflect in Vendor's Dashboard in WMS**

After uploading, the orders automatically appear on the vendor's dashboard within the WMS. Vendors can now view order information, including product details, quantities, and shipping instructions, and begin processing accordingly.

## **13. Vendors Start Processing the Orders**

Vendors begin the order fulfilment process by picking, packing, and labelling the products. They ensure the goods are ready for shipment as per the agreed timelines and service level agreements (SLAs).

## **14. Arrange for courier pickup of Shipments from the Vendor's Warehouse and delivery to Customer(s)**

Once packed, the shipments are picked up by our logistics partner from the vendor's warehouse. The courier then delivers the products to the end customers. Throughout this process, tracking information and proof of delivery are maintained to ensure transparency and accountability.

## **15. Uploading of shipping details & invoices on the client (platform) portal**

After dispatch, all shipping details and invoice numbers are uploaded to the client's portal. This step confirms that the order has been fulfilled and enables further tracking and reconciliation.



## 16. Customer support post Sales

Once the order is delivered, our customer support team takes care of any issues the customer may face, such as returns, replacements, or damages. This ensures that customers have a smooth and satisfactory experience even after the sale is completed.

## 3. Services

Our company offers a wide range of digital and e-commerce services designed to help brands grow online, improve their visibility, and increase sales. We work with both direct-to-consumer (D2C) brands and large corporate clients, providing end-to-end support across marketing, technology, and operations.

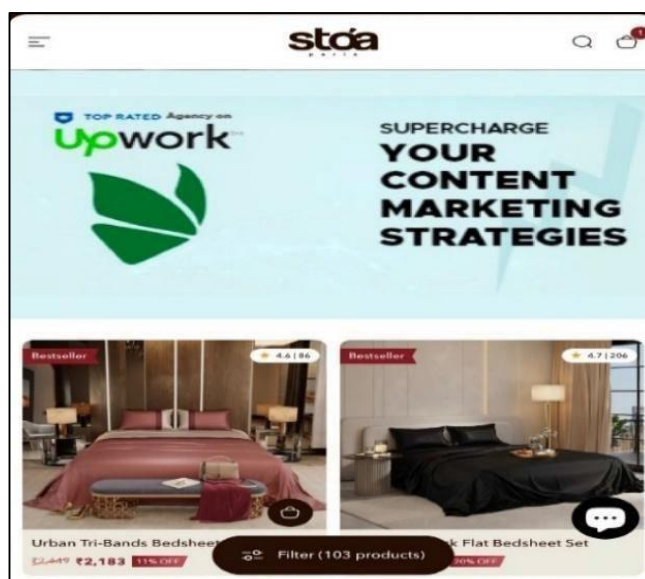
We help businesses advertise effectively, build strong online stores, manage their presence on platforms like Amazon, and reach customers through loyalty and reward programs. Our services are practical, result-oriented, and tailored to the specific needs of each client.

To serve our clients better, we have structured our services into the following key segments:

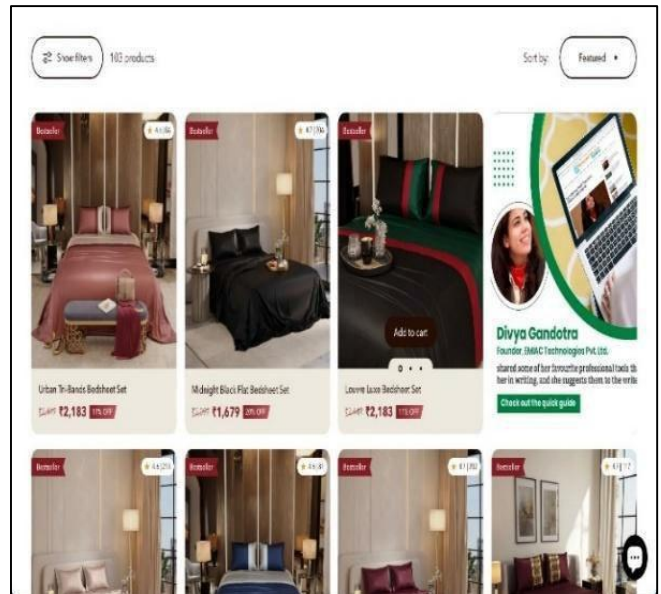
- **Performance Marketing Solutions** – Running targeted ads on platforms like Facebook, Instagram, Google, Amazon, and more to drive sales and attract new customers.
- **Display Advertising & Brand Building** – Helping brands get noticed with visually appealing ads on websites, social media, and video platforms like YouTube.
- **Shopify Development & E-commerce Solutions** – Creating and managing user-friendly online stores using Shopify, with a focus on better design, speed, and customer experience.
- **Amazon Marketing & Account Management** – Providing full support for sellers on Amazon, including product listings, ad campaigns, and inventory management.

Each of these services is handled by expert teams, allowing us to provide high-quality work and real results for our clients. Our goal is to be a reliable, one-stop solution for brands looking to succeed in the digital world.

Here are a few examples of *Display Advertising & Brand Building* services rendered by our company:

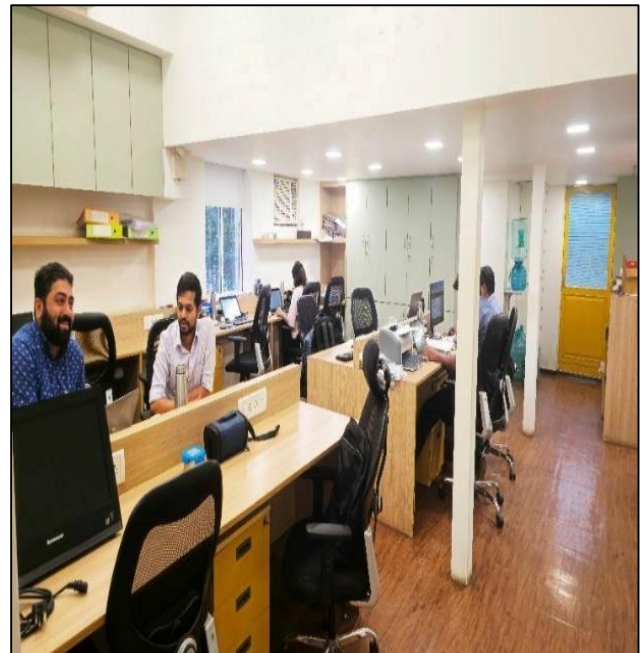






## OUR PROPERTIES

**Our Registered Office:-** Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon(E), Mumbai 400063, Maharashtra



## **Our Branch Offices:-**

- a) 701 Cts No. 67/ A/1/2, Simba Tower, Off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063.
- b) 1202 Cts No. 67/ A/1/2, Simba Tower, Off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063.



**Our Manufacturing Unit:-** Gala No-7 to 10, 1st floor, Bldg No-I 09, Shree Arihant Compound, Bhiwandi, Thane, Thane, Maharashtra, 421302.



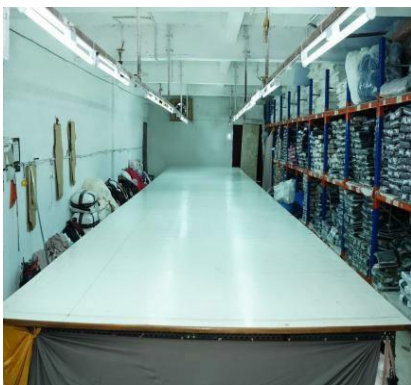







**Our Warehouse:** *Gala No-7 to 10, 1st floor, Bldg No-J 09, Shree Arihant Compound, Bhiwandi, Thane, Thane, Maharashtra, 421302.*



#### LIST OF MACHINERY

The following is a list of major machinery employed in our manufacturing operations:

Sr. no.	Description of Machinery	Image of Machinery	Usage
1.	<b>Cutting Table - 10 ft X 50 ft</b> Quantity: 1		To lay the fabric and cut as per required dimensions. Multiple layers of fabric (upto 300 to 400 layers) are laid and cut in single pass.
2.	<b>Cutting Table - 10 ft X 30 ft</b> Quantity: 1		To lay the fabric and cut as per required dimensions.

3.	<b>Cutting Machine</b> Quantity: 1		To cut fabric as per requirement which is layered on the table (up to 300-400 fabric layers at a time).
4.	<b>Overlock</b> Quantity: 3		Used to lock the open edges of the fabric post stitching to prevent loose threads from coming out.
5.	<b>Stitching Machine - Bedsheets</b> Quantity: 6		Industrial stitching machine used for stitching our bedsheets, comforter shells, duvet covers etc.
6.	<b>Stitching Machine - Pillow</b> Quantity: 7		Industrial stitching machine used for stitching pillows, pillow covers, curtains etc.

7.	<b>Iron Tables with inbuilt Boiler</b> Quantity: 3		Used to lightly steam iron finished products before packing.
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As certified by Garg & Associates vide certificate dated May 27, 2025

## INSTALLED CAPACITY AND CAPACITY UTILISATION

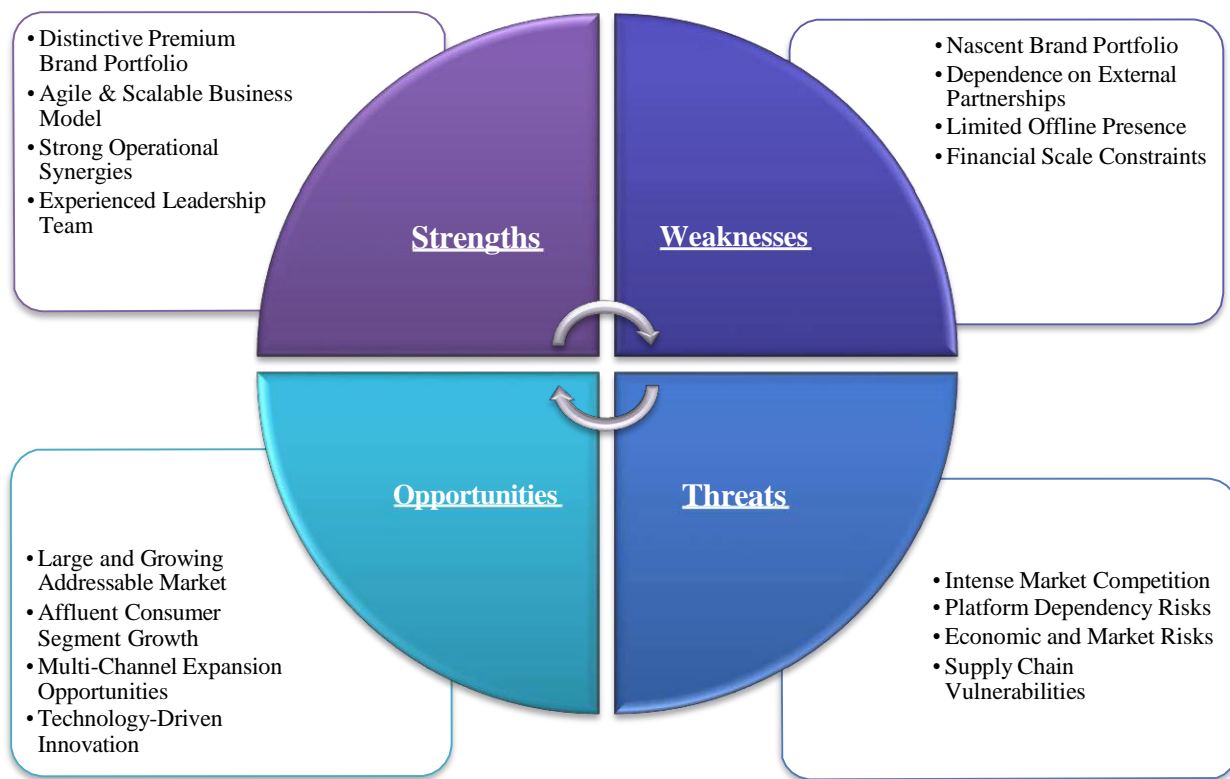
The following table sets forth details of the Company's aggregate installed production capacity and Capacity Utilization as on March 31, 2025; March 31, 2024, and March 31, 2023 respectively:

S. No.	Name of the Product	Machines	Plant Capacity (No of Sets)								
			FY 2024-25			FY 2023-24			FY 2022-23		
			Installed Capacity	Utilized Capacity	%	Installed Capacity	Utilized Capacity	%	Installed Capacity	Utilized Capacity	%
1.	Home Décor including : • Bed sheet Sets • Pillow Cover Set • Comforters • Curtains • Table Linen Set	<ul style="list-style-type: none"> <li>• Cutting Table - 10 ft x 50 ft</li> <li>• Cutting Table - 10 ft x 30 ft</li> <li>• Cutting Machine</li> <li>• Overlock</li> <li>• Stitching Machine - Bed sheets</li> <li>• PillowStitching Machine</li> <li>• Iron Tables with inbuilt Boiler</li> </ul>	171,150	110,356	64.48	171,150	62,325	36.41	171,150	34,443	20.12

As certified by Garg & Associates vide certificate dated May 27, 2025

The information relating to the installed production capacity of our processing facility, as included above and elsewhere in this Draft Red Herring Prospectus are based on various assumptions and estimates that have been considered by the Chartered Engineer for calculation of our capacity. These assumptions and estimates include the standard capacity calculation practice of the industry after examining the calculations and explanations provided by us.

## SWOTANALYSIS



## TOP 10 CUSTOMERS

### List of Top Ten Customer as on 31-03-2025

(₹ in Lakhs)

S.no	Particulars	Amount	%
1.	Top Customer 1	626.75	11.47%
2.	Top Customer 2	478.03	8.75%
3.	Top Customer 3	471.00	8.62%
4.	Top Customer 4	401.81	7.35%
5.	Top Customer 5	401.08	7.34%
6.	Top Customer 6	398.35	7.29%
7.	Top Customer 7	373.47	6.83%
8.	Top Customer 8	203.54	3.72%
9.	Top Customer 9	155.17	2.84%
10.	Top Customer 10	126.70	2.32%
	<b>Total</b>	<b>3635.90</b>	<b>66.53%</b>

### List of Top Ten Customer as on 31-03-2024

(₹ in Lakhs)

S.no	Particulars	Amount	%
1.	Top Customer 1	905.65	22.62%
2.	Top Customer 2	444.42	11.10%
3.	Top Customer 3	438.05	10.94%
4.	Top Customer 4	431.56	10.78%
5.	Top Customer 5	297.09	7.42%
6.	Top Customer 6	228.13	5.70%
7.	Top Customer 7	129.76	3.24%
8.	Top Customer 8	123.43	3.08%

9.	Top Customer 9	78.86	1.97%
10.	Top Customer 10	42.98	1.07%
	<b>Total</b>	3119.93	77.92%

**List of Top Ten Customer as on 31-03-2023**

(₹ in Lakhs)

S.no	Particulars	Amount	%
1.	Top Customer 1	430.05	19.89%
2.	Top Customer 2	349.37	16.16%
3.	Top Customer 3	324.05	14.99%
4.	Top Customer 4	174.00	8.05%
5.	Top Customer 5	158.29	7.32%
6.	Top Customer 6	112.92	5.22%
7.	Top Customer 7	92.20	4.26%
8.	Top Customer 8	55.01	2.54%
9.	Top Customer 9	49.10	2.27%
10.	Top Customer 10	25.62	1.18%
	<b>Total</b>	1770.61	81.88%

**TOP 10 SUPPLIER**

**List of Top Ten Supplier as on 31-03-2025**

(₹ in Lakhs)

S.no	Particulars	Amount	%
1.	Top Supplier 1	414.31	13.35%
2.	Top Supplier 2	379.50	12.23%
3.	Top Supplier 3	252.34	8.13%
4.	Top Supplier 4	190.01	6.12%
5.	Top Supplier 5	103.53	3.34%
6.	Top Supplier 6	83.09	2.68%
7.	Top Supplier 7	54.67	1.76%
8.	Top Supplier 8	35.28	1.14%
9.	Top Supplier 9	23.89	0.77%
10.	Top Supplier 10	19.28	0.62%
	<b>Total</b>	1555.90	50.15%

**List of Top Ten Supplier as on 31-03-2024**

(₹ in Lakhs)

S.no	Particulars	Amount	%
1.	Top Supplier 1	150.03	15.06%
2.	Top Supplier 2	130.33	13.08%
3.	Top Supplier 3	85.36	8.57%
4.	Top Supplier 4	21.92	2.20%
5.	Top Supplier 5	21.89	2.20%
6.	Top Supplier 6	21.84	2.19%
7.	Top Supplier 7	14.62	1.47%
8.	Top Supplier 8	11.88	0.38%
9.	Top Supplier 9	11.49	0.37%
10.	Top Supplier 10	4.17	0.13%
	<b>Total</b>	463.53	45.65%

**List of Top Ten Supplier as on 31-03-2023**

(₹ in Lakhs)



S.no	Particulars	Amount	%
1.	Top Supplier 1	91.85	5.54%
2.	Top Supplier 2	86.80	5.24%
3.	Top Supplier 3	72.61	4.38%
4.	Top Supplier 4	60.35	3.64%
5.	Top Supplier 5	51.51	3.11%
6.	Top Supplier 6	47.49	2.87%
7.	Top Supplier 7	32.04	1.93%
8.	Top Supplier 8	29.73	1.79%
9.	Top Supplier 9	27.93	1.69%
10.	Top Supplier 10	26.65	1.61%
	<b>Total</b>	526.96	31.81%

\*All the Above tables are certified by M/s V.K. Beswal & Associates, Chartered Accountant pursuant to their certificate dated May 28, 2025 having UDIN- 25131054BMHXOJ5563

#### REVENUE BIFURCATION ARE TABULATED AS FOLLOWS:

#### GEOGRAPHICAL WISE REVENUE BIFURCATION ARE TABULATED AS FOLLOWS:

( ₹ in Lakhs Except % )

S.no.	States	Turnover 31/03/25	%of total turnover	Turnover 31/03/24	%of total turnover	Turnover 31/03/23	%of total turnover
1	Andhra Pradesh	29.94	0.55%	9.31	0.23%	10.11	0.47%
2	Arunachal Pradesh	2.42	0.04%	2.48	0.06%	1.99	0.09%
3	Assam	10.48	0.19%	11.56	0.29%	8.93	0.41%
4	Bihar	21.32	0.39%	15.50	0.39%	8.46	0.39%
5	Chhattisgarh	11.92	0.22%	10.01	0.25%	3.87	0.18%
6	Goa	8.41	0.15%	8.82	0.22%	3.80	0.18%
7	Gujarat	446.54	8.17%	42.48	1.06%	15.78	0.73%
8	Haryana	254.94	4.67%	62.55	1.56%	19.73	0.91%
9	Himachal Pradesh	3.96	0.07%	3.52	0.09%	2.20	0.10%
10	Jharkhand	12.50	0.23%	11.90	0.30%	4.08	0.19%
11	Karnataka	807.98	14.78%	619.22	15.46%	274.65	12.70%
12	Kerala	40.63	0.74%	31.55	0.79%	11.47	0.53%
13	Madhya Pradesh	26.87	0.49%	21.37	0.53%	8.13	0.38%
14	Maharashtra	1,014.60	18.57%	466.43	11.65%	415.27	19.20%
15	Manipur	2.48	0.05%	0.97	0.02%	2.76	0.13%
16	Meghalaya	2.85	0.05%	0.42	0.01%	1.86	0.09%
17	Mizoram	2.34	0.04%	3.74	0.09%	1.12	0.05%
18	Nagaland	2.54	0.05%	2.76	0.07%	1.66	0.08%
19	Odisha	17.51	0.32%	13.29	0.33%	6.58	0.30%
20	Punjab	2,038.68	37.30%	1,990.44	49.71%	1,039.13	48.05%
21	Rajasthan	28.18	0.52%	10.81	0.27%	13.16	0.61%
22	Sikkim	1.01	0.02%	1.01	0.03%	1.01	0.05%
23	Tamil Nadu	156.91	2.87%	146.83	3.67%	28.65	1.32%
24	Telangana	114.31	2.09%	65.59	1.64%	24.29	1.12%
25	Tripura	0.86	0.02%	1.22	0.03%	0.66	0.03%
26	Uttar Pradesh	120.98	2.21%	78.61	1.96%	35.90	1.66%
27	Uttarakhand	10.50	0.19%	6.78	0.17%	3.59	0.17%
28	West Bengal	50.93	0.93%	41.35	1.03%	19.41	0.90%
29	Andaman and Nicobar Islands	0.42	0.01%	0.54	0.01%	0.07	0.00%
30	Chandigarh	4.98	0.09%	3.60	0.09%	1.76	0.08%
31	Dadra and Nagar Haveli and Daman and Diu	0.41	0.01%	1.42	0.04%	0.15	0.01%
32	Delhi	89.09	1.63%	69.58	1.74%	37.68	1.74%

33	Jammu and Kashmir	10.55	0.19%	8.53	0.21%	0.62	0.03
34	Ladakh	0.15	0.00%	0.15	0.00%	0.08	0.00
35	Lakshadweep	0.04	0.00%	-	0.00%	0.96	0.04
36	Puducherry(Pondicherry)	1.94	0.04%	2.00	0.05%	0.21	0.01
	<b>Foreign Countries:</b>						
37	USA	114.80	2.10%	237.84	5.94%	152.70	7.06%
	<b>Total</b>	<b>5,464.94</b>	<b>100.00%</b>	<b>4,004.18</b>	<b>100.00%</b>	<b>2,162.47</b>	<b>100.0</b>

\*As certified by M/s V.K. Beswal & Associates, Chartered Accountant pursuant to their certificate dated June 25, 2025 having UDIN- 25131054BMHXSP9086

#### SEGMENT WISE REVENUE BREAKUP:

( ₹ in Lakhs Except %)

Segment	For the period ended					
	2025	% of Turnover	2024	% of Turnover	2023	% of Turnover
<b>Own Brands</b>	1400.14	25.62%	854.42	21.34%	307.58	14.22%
<b>Trading</b>	2791.87	51.08%	2200.36	54.95%	1004.66	46.46%
<b>Gated Market</b>	762.70	13.96%	685.05	17.11	598.78	27.69%
<b>Services</b>	510.23	9.34%	264.35	6.60	251.45	11.63%
<b>Total</b>	<b>5464.94</b>	<b>100.00%</b>	<b>4004.18</b>	<b>100.00%</b>	<b>2162.47</b>	<b>100.00%</b>

\*As certified by M/s V.K. Beswal & Associates, Chartered Accountant pursuant to their certificate dated July 16, 2025 having UDIN- 25131054BMHXXV3047

#### MODE WISE REVENUE BIFURCATION

( ₹ in Lakhs Except %)

Particulars	2025	% of Turnover	2024	% of Turnover	2023	% of Turnover
<b>Sale through E- Commerce</b>	1886.85	34.53%	1371.92	34.26%	822.18	38.02%
<b>Offline Sale</b>	3578.09	65.47%	2632.26	65.74%	1340.29	61.98%
<b>Total</b>	<b>5464.94</b>	<b>100.00%</b>	<b>4004.18</b>	<b>100.00%</b>	<b>2162.47</b>	<b>100.00%</b>

#### PRODUCT WISE REVENUE BIFURCATION

Product	2024-25		2023-24		2022-23	
	Revenue	%	Revenue	%	Revenue	%
<b>Manufacturing</b>						
Bedsheet	714.93	13.08%	661.72	16.53%	166.7	7.71%
Comforter	116.592	2.13%	91.64	2.29%	60.3	2.79%
Curtain	28.45	0.52%	-	-	-	-
Other	401.94	7.35%	101.05	2.52%	80.6	3.73%
Sauces	138.23	2.53%	-	-	-	-
<b>Trading</b>						
Ground nut husk	-	-	-	-	39.9	1.85%
Moong Husk	-	-	-	-	71.6	3.31%
Rice husk	-	-	-	-	89.9	4.16%
Mustard Straw/Husk	1084.31	19.84%	-	-	92.4	4.27%

Cotton Straw	904.73	16.55%	1,296.60	32.38%	404.4	18.70%
Paddy Bail	26.94	0.49%	675.66	16.87%	29.9	1.38%
Twine	1.34	0.02%	-	-	41.0	1.90%
Textile	774.55	14.17%	228.10	5.70%	235.51	10.89%
<b>Gated Markets</b>						
Gated Markets	762.70	13.96%	685.051	17.11%	598.8	27.69%
<b>Services</b>						
Performance Marketing & E-Commerce Management	114.80	2.10%	237.84	5.94%	251.4	11.63%
Media Revenue	200.33	3.67%	14.63	0.37%	-	-
Commission	-	-	0.03	0.00%		
Services - Professional Fees & Marketing Services	75.60	1.38%	4.75	0.12%	-	-
Web Services	50.00	0.91%	-	-	-	-
Marketing Services	69.80	1.28%	7.11	0.18%	-	-
<b>Total Revenue</b>	<b>5,465.23</b>	<b>100.00%</b>	<b>4,004.18</b>	<b>100.00%</b>	<b>2,162</b>	<b>100.00%</b>

## OUR LOCATION

<b>Registered Office</b>	Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon(E), Mumbai 400063, Maharashtra
<b>Branch Office -1</b>	701, Cts no. 67/ A/1/2, Simba Tower, off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063
<b>Branch Office- 2</b>	1202 Cts no. 67/ A/1/2, Simba Tower, off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063
<b>Manufacturing Unit</b>	Gala No-7 to 10, 1st floor, Bldg No-I 09, Shree Arihant Compund,, Bhiwandi, Thane, Thane, Maharashtra, 421302
<b>Warehouse</b>	Gala No-7 to 10, 1st floor, Bldg No-J 09, Shree Arihant Compund,, Bhiwandi, Thane, Thane, Maharashtra, 421302

## IMMOVABLE PROPERTY

Details of our properties are as follows: -

S. No.	Details of the Property	Licensor/Lessor/Vendor	Area	Owned/Leased	Consideration/Lease Rental/License Fees (in Rs.)	Use
1.	Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon(E), Mumbai 400063, Maharashtra	M/s Bhageria Industries Limited through its Authorized Signatory Krunal Sanjay Kumar Wala	1050 Square Feet	Leased	Lease Agreement dated August 8 <sup>th</sup> , 2022 between Bhageria Industries Limited and Encompass Design India Private Limited for a period of 03 years at monthly rent of Rs. 88200/- starting from August 1, 2022.	Registered Office
2.	701, Cts no. 67/ A/1/2, Simba Tower, off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063	Mr. Karwa Krishna Kumar Murlidhar	2,000 Square Feet	Leased	Lease Agreement dated 12 <sup>th</sup> May, 2023 between Mr. Karwa Krishna Kumar Murlidhar and Encompass Design India Private Limited for period of 03 years at a monthly rent of Rs. 3,85,875/- starting from 1 <sup>st</sup> April, 2023	Branch Office-1
3.	1202 Cts no. 67/ A/1/2, Simba Tower, off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063	Mrs Maheshwari Kusum Madhusudhan	1050 Square Feet	Leased	Lease Agreement dated June 27 <sup>th</sup> , 2025 between Mrs Maheshwari Kusum Madhusudhan and Encompass Design India Private Limited for a period of 03 years at monthly rent of Rs. 181913/- for the first 12 months, Rs. 191009/- for the next 12 months, Rs. 200559/- for the next 12 months starting from July 1, 2025.	Branch Office-2
4.	Gala No-7 to 10, 1st floor, Bldg No-J 09, Shree Arihant Compund., Bhiwandi, Thane, Thane, Maharashtra, 421302	Mr. Shailesh Narshi Shah Mrs Nayna Shailesh Shah Mrs Darshini Bipin Shah Mr. Bipin Narshi Shah	9297.15 Square Feet	Leased	Lease Agreement dated 12 <sup>th</sup> Nov, 2024 between Mr. Shailesh Narshi Shah, Mrs Nayna Shailesh Shah, Mrs Darshini Bipin Shah, Mr. Bipin Narshi Shah and Encompass Design India Private Limited for period of 3 Year at a monthly rent of Rs. 87925/- starting from 1 <sup>st</sup> Sep, 2024	Warehouse

5.	Gala No-7 to 10, 1st floor, Bldg No-I 09, Shree Arihant Compund,, Bhiwandi, Thane, Thane, Maharashtra, 421302	Creative Garments through its Authorized Signatory Briendra kumar J. Agarwal	9299 Square Feet	Leased	Lease Agreement dated 28 <sup>th</sup> April, 2023 between Creative Garments and Encompass Design India Private Limited for period of 3 Year at a monthly rent of Rs. 76,188/- starting from 1st March, 2023	Manufacturing Unit
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## COLLABORATIONS/VENTURE/TIE-UPS

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any collaboration or Joint venture.

## SALES & MARKETING

Our Company produce distinctive marketing and advertising campaigns that generates high customer engagement. We have invested significantly in digital marketing initiatives to build our presence online (including advertising on social media and collaborations with influencers). Our marketing and advertising initiatives also includes digital advertisements such as advertisements on social media channels like Instagram, Facebook etc. in order to connect with larger customer base.

## EXPORT OBLIGATION

As on date, Company does not have any export obligation.

## HEALTH, SAFETY & ENVIRONMENT

We are committed to globally accepted practices and compliance with applicable health, safety and environmental legislation and other requirements in our operations. We undertake induction training, fire-fighting training, emergency preparedness and job specific training of skilled and unskilled manpower, in addition to the provision of protective equipment to ensure safety of our manpower. We believe that we comply in all material respects with applicable occupational health and safety laws, regulations and other contractual requirements relevant to health and safety of employees at our project sites. We monitor and assess compliance issues in connection with our operations and undertake mock drills and other safety orientation programs to create awareness and promote a safe working environment.

## COMPETITION

### - Home and Lifestyle

We compete with players from organised and unorganised sectors - established legacy brands as well as direct-to-consumer players. Our strong differentiation is our positioning, distinctive design aesthetic of high fashion, premium quality, and customer-focused experience.

### - Gourmet Food

The gourmet food segment includes international imports and emerging domestic brands - offline as well as online. We differentiate through our chef-developed innovative and preservative-free recipes that create elevated taste experience and flavour profiles, superior ingredient sourcing and quality, and the small batch production.

## QUALITY CONTROL

### - Home and Lifestyle

The quality checks begin with the inspection of pre-treated greige fabric, and the material goes through checks at every stage of the process. The greige fabric is inspected for weaving defects, yarn count, construction, GSM, and width. After dyeing/printing, the fabric's color is matched as per the requirement and is also inspected for misprints, stains, shrinkage, and pilling. Cutting and stitching are monitored for accuracy, thread quality, and finishing. Before packing, a visual inspection is carried out to check for stains, loose threads, and other defects. Final inspections involve random checks on packed pieces to verify packaging, barcode, product dimensions, stitching, and fabric quality. We have professionals who have been in this industry for decades and are specialised in ensuring that we meet our high standards.

## - Gourmet Food

Our cloud kitchen partners follow a standardised quality control process where both raw materials, like fresh fruits & vegetables, and finished products are checked for its taste, viscosity, pH levels and other core specifications to ensure the product meets our standards.

The finished product is further inspected at our premises for packaging and overall quality

## HUMAN RESOURCES

Our Company believe that our employees are key contributors to our business success and its ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on March 31, 2025 our Company has 90 employees on payroll. Bifurcation is as follows:

Department	Number of Employees
Management	05
Marketing and Brand Management	21
Finance and Administration	10
Operations and Supply Chain	30
Product Development & Design	03
Sales and Channel Management	05
Human Resources and Corporate functions	02
Admin and Housekeeping	12
Technology and Digital	02
<b>Total</b>	<b>90</b>

*Note: our Company does not have any Contract Labour.*

## UTILITIES AND INFRASTRUCTURE FACILITIES

## RAW MATERIAL

## - Stoa Paris & Quirkloom

Raw materials required for our Stoa Paris & Quirkloom product lines include premium fabrics (Polyester, Cotton and Velvet), dyes and printing materials, zippers, buttons, and other accessories. Our systematic procurement approach ensures consistent quality and supply chain reliability throughout the year.

We source our raw materials through a diversified supplier network. For our signature Polyester fabric, we work with specialised textile fabric suppliers who meet our quality specifications for thread count, finish, and durability. Our velvet materials are sourced from premium suppliers with expertise in luxury home textile production. Our partners, in turn, maintain strategic relationships with fabric weavers, spinners, and processing houses in states such as Gujarat, ensuring optimal quality-to-cost ratios.

## - SmallBatch

SmallBatch requires a wide variety of vegetables, fruits, spices, condiments, oils and other ingredients. We collaborate with cloud kitchens that share our commitment to premium quality and handle the sourcing of primary raw materials per our set recipes. This partnership model allows us to leverage their expertise in ingredient sourcing.

## POWER

Sr. No	Address	Use	Service Provider	Sanctioned Load
1.	A 101, Virwani Industrial Estate,	Registered	Tata Power Company	LT - 20 kw

	Goregaon (East), Mumbai 400063	Office	Limited	
2.	701, Cts no. 67/ A/1/2, Simba Tower, off Western Express Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063.	Branch Office- 1	Adani Electricity Mumbai Limited	11.00 KW
3.	1202 Floor, Simba Towers, Vishweshwar Nagar, Goregaon (East) 400063	Branch Office- 2	Adani Electricity Mumbai Limited	LT -11 kW
4.	Shree Arihant Complex, Building No. J9, Unit No, 7,8,9 & 10. Koper Village, Kalher, Bhiwandi, Thane, Maharashtra Pin Code 421302.	Manufacturing Unit	Torrent Power	2 kW
5.	Shree Arihant Complex, Building No. I9, Unit No, 7,8,9 & 10. Koper Village, Kalher, Bhiwandi, Thane, Maharashtra Pin Code 421302.	Manufacturing Unit	Torrent Power	19.33 KW

## WATER

Our registered office, Branch office and Manufacturing unit have adequate water supply arrangements for human consumption purpose. We have not yet faced in any challenges with respect to the water and electricity supply in any of our stores.

## REPAIR AND MAINTENANCE

The repair and maintenance are carried out as per below:

- A. Air conditioning – Quarterly
- B. Machinery, IT Hardware (Computer/Laptop systems, Servers, Network devices) – Need basis

## TECHNOLOGY

The company employs up-to-date technology that is not obsolete and is well-suited to meet ongoing and increasing demands.

## LOGISTICS

Transportation within the company is predominantly carried out by Transportation agencies through Road/Sea/Airways etc. Transportation is done primarily through courier partners:

1. Amazon (ATS)
2. Speed Post Division of India Post
3. Blue Dard Express Limited

## CORPORATE SOCIAL RESPONSIBILITY

We recognize the importance of Corporate Social Responsibility (CSR) and are committed to contributing meaningfully to the social, economic, and environmental well-being of the communities in which we operate. Our CSR initiatives are guided by our CSR Policy, which aligns with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

CSR was not applicable to the Company during the financial year 2022-23. However, CSR provisions became applicable in the financial year 2023-24. Accordingly, the Company was required to spend an amount of ₹5.02 lakhs towards CSR activities in the financial year 2024-25.

The Company has spent a total amount of ₹5.10 lakhs during FY 2024-25 towards CSR initiatives, which is in excess of the required amount. The expenditure was made in accordance with the Company's CSR Policy and in line with the Schedule VII of the Companies Act, 2013.



**INTELLECTUAL PROPERTY**

Sr. No.	Description	Class	Application No.	Brand Name/ Logo/ Trademark/Word mark	Validity	Status
1	DATENIGHT	24	5833382	<b>DATENIGHT</b>	03-03-2033	Registered
2	DATENIGHT	35	5833384	<b>DATENIGHT</b>	03-03-2033	Registered
3	RAJAH	35	5792892	<b>RAJAH</b>	03-02-2033	Registered
4	RAJAH.COM	35	5792895	<b>RAJAH.COM</b>	03-02-2033	Registered
5	WHITEHALL LA	24	5681262	<b>WHITEHALL LA</b>	14-11-2032	Registered
6	WHITEHALL LA	35	5681263	<b>WHITEHALL LA</b>	14-11-2032	Registered
7	QuirkLoom	9	6081749	<b>QuirkLoom</b>	25-08-2033	Registered
8	QuirkLoom	18	6081750	<b>QuirkLoom</b>	25-08-2033	Registered
9	QuirkLoom	21	6081751	<b>QuirkLoom</b>	25-08-2033	Registered
10	QuirkLoom	24	6081752	<b>QuirkLoom</b>	25-08-2033	Registered
11	QuirkLoom	25	6081753	<b>QuirkLoom</b>	25-08-2033	Registered
12	stoa paris	24	2711036	<b>stoa paris</b>	02-04-2034	Registered
13	J BATCH	29	6511958	<b>J BATCH</b>	N.A.	Formalities Chk Pass
14	J BATCH	30	6470978	<b>J BATCH</b>	N.A.	Objected
15	J BATCH	35	6511959	<b>J BATCH</b>	N.A.	Formalities Chk Pass
16	ULTRASATIN	25	6804384	<b>ULTRASATIN</b>	N.A.	Formalities Chk Pass
17	ULTRASATIN	35	6809863	<b>ULTRASATIN</b>	N.A.	Formalities Chk Pass
18	ULTRASATEEN	25	6804383	<b>ULTRASATEEN</b>	N.A.	Formalities Chk Pass
19	ULTRASATEEN	35	6809862	<b>ULTRASATEEN</b>	N.A.	Formalities Chk Pass

## INSURANCE

The Details of Insurance policies as on date is as follows:

S.No.	Insurance Company	Address	Policy Number	Period of Insurance	Details	Sum Assured	Premium Paid (Inclusive of GST)
1.	The New India Assurance Co Ltd	A-101,First Floor,Virwani Industrial Estate,Off W,E Highway,Goregaon [E],Mumbai,Maharashtra, 400063	14200048241000000004	From 26/07/24 to 25/07/25	<ul style="list-style-type: none"> <li>• Fire</li> <li>• Burglary</li> <li>• Fixed glass and sanitary Fittings</li> <li>• Damage to electronic Equipment</li> <li>• Public Liability Insurance</li> </ul>	INR 40,85,000/-	INR 15,952/-
2.	ICICI Lombard General Insurance Company Ltd	7th Floor, Simba Tower , Near Virwani Industrial Estate, Vishveshwar Nagar, Goregaon, Mumbai, Maharashtra 400063	1016/370363144/00/000	From 29/11/24 to 28/11/25	<ul style="list-style-type: none"> <li>• Fire</li> <li>• Burglary</li> <li>• Fixed glass and sanitary Fittings</li> <li>• Damage to electronic Equipment</li> <li>• Public Liability Insurance</li> </ul>	INR 1,00,00,000/-	INR 7,521/-
3.	The Oriental Insurance Company Limited	Gala No. 7, 8, 9&10, 1 <sup>st</sup> Floor Building No. J-9, H No. 198/A Shri Arihant Complex, Koper Village, Kalher, Bhiwandi, Thane, Maharashtra 421302	131800/11/2025/212	From 05/09/2024 to 04/09/2025	<ul style="list-style-type: none"> <li>• Raw Material &amp; Finished Goods Stock</li> <li>• Furniture</li> <li>• Fixture</li> <li>• White goods</li> <li>• IT Equipm</li> </ul>	10,30,22,237/-	INR 1,50,898/-

4.	The New India Assurance Co. Ltd.	Office No-1202,12th Floor, Simba Tower Bldg, Vishveshwar Nagar Rd, Goregaon East Mumbai ,Maharashtra, 400063	14200048241000000003	From 26/07/2024 to 25/07/2025	<ul style="list-style-type: none"> <li>• Fire</li> <li>• Burglary</li> <li>• Tenant's Liability</li> <li>• Money Insurance</li> <li>• Fixed glass and sanitary Fittings</li> <li>• Public Liability Insurance</li> </ul>	INR 65,00,000/-	INR 17,754 /-
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## DOMAINNAME

The Details of the Domain Name Registered in the Name of the Company is:

S.No.	Domain Name	Sponsoring Registrar and IANA ID	Creation Date	Registration Expiry Date
1	edipl.in	Endurance Digital Domain Technology Private Limited, LLC and IANA ID: 801217	13/07/2021 and updated on 09/07/2025	13/07/2026
2	blisshomeindia.com	GoDaddy.com, LLC IANA ID:146	11/08/2023 and updated on 7/08/2024	11/08/2025
3	ediplgallery.in	GoDaddy.com, LLC IANA ID:146	23/07/2024 and updated on 12/07/2025	23/07/2026
4	encompassdesign.in	Endurance Digital Domain Technology Private Limited, LLC and IANA ID: 801217	13/07/2021 and updated on 09/07/2025	13/07/2026
5	encompassdesignindia.com	BigRock Solutions Ltd IANA ID: 1495	15/04/2013 and updated on 26/03/2025	15/04/2026
6	encompassmarkets.in	GoDaddy.com, LLC IANA ID:146	05/09/2024 and updated on 14/05/2025	05/09/2025
7	encompassshop.in	GoDaddy.com, LLC IANA ID:146	05/09/2024 and updated on 10/09/2024	05/09/2025
8	getsmallbatch.com	GoDaddy.com, LLC IANA ID:146	23/02/2023 and updated on 19/12/2024	23/02/2026
9	getsortd.in	GoDaddy.com, LLC IANA ID:146	15/06/2021 and updated on 19/12/2024	15/06/2026
10	jbatch.co.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 16/03/2025	27/03/2026
11	jbatch.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 16/03/2025	27/03/2026
12	jhaal.com	GoDaddy.com, LLC IANA ID:146	13/10/2021 and updated on 18/09/2024	13/10/2025
13	jsauce.co.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 16/03/2025	27/03/2026

14	jsauce.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 31/03/2025	27/03/2026
15	mysmallbatch.com	GoDaddy.com, LLC IANA ID:146	04/03/2025 and updated on 04/03/2025	04/03/2026
16	mywhitehall.com	GoDaddy.com, LLC IANA ID:146	24/01/2024 and updated on 30/01/2025	24/01/2026
17	mywhitehall.in	GoDaddy.com, LLC IANA ID:146	24/01/2024 and updated on 04/01/2025	24/01/2026
18	ohsosaucy.co.in	GoDaddy.com, LLC IANA ID:146	20/09/2022 and updated on 23/09/2024	20/09/2025
19	ohsosaucy.in	GoDaddy.com, LLC IANA ID:146	20/09/2022 and updated on 23/09/2024	20/09/2025
20	olivetheory.com	GoDaddy.com, LLC IANA ID:146	09/09/2012 and updated on 18/09/2024	09-09-2025
21	quirkloom.co.in	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 12/08/2024	03/08/2025
22	quirkloom.co	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 12/08/2024	03/08/2025
23	quirkloom.com	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 07/08/2024	03/08/2025
24	quirkloom.in	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 12/08/2024	03/08/2025
25	rajaii.com	GoDaddy.com, LLC IANA ID:146	26/12/2022 and updated on 19/12/2024	26/12/2025
26	rajaii.in	GoDaddy.com, LLC IANA ID:146	26/12/2022 and updated on 24/12/2024	26/12/2025
27	scalesauce.co.in	GoDaddy.com, LLC IANA ID:146	15/07/2022 and updated on 12/07/2025	15/07/2026
28	scalesauce.co	GoDaddy.com, LLC IANA ID:146	15/07/2022 and updated on 12/07/2025	15/07/2026
29	scalesauce.in	GoDaddy.com, LLC IANA ID:146	15/07/2022 and updated on 12/07/2025	15/07/2026
30	smallbatch.co.in	GoDaddy.com, LLC IANA ID:146	12/01/2023 and updated on 24/12/2024	12/01/2026
31	smallbatch.in	GoDaddy.com, LLC IANA ID:146	21/08/2023 and updated on 12/08/2024	21/08/2025
32	stoaparis.co.in	GoDaddy.com, LLC IANA ID:146	12/12/2024 and updated on 12/12/2024	12/12/2025
33	stoaparis.com	GoDaddy.com, LLC IANA ID:146	24/03/2021 and updated on 18/03/2024	24/03/2027

34	stoaparis.in	GoDaddy.com, LLC IANA ID:146	12/12/2024 and updated on 17/12/2024	12/12/2025
35	whitehall.in	GoDaddy.com, LLC IANA ID:146	08/09/2023 and updated on 14/08/2024	08/09/2025
36	whitehall.la	GoDaddy.com, LLC IANA ID:146	11/10/2022 and updated on 16/10/2024	11/10/2025
37	whitehallla.com	GoDaddy.com, LLC IANA ID:146	11/10/2022 and updated on 16/10/2024	11/10/2025
38	whitehall-la.com	GoDaddy.com, LLC IANA ID:146	11/10/2022 and updated on 16/10/2024	11/10/2025
39	whitehall-la.in	GoDaddy.com, LLC IANA ID:146	11/10/2022 and updated on 21/10/2024	11/10/2025

## FINANCIALS

Our revenues financial year ended on Fiscals 2025, 2024 and 2023 were ₹ 5464.94 lakhs, ₹ 4004.18 lakhs, and ₹ 2169.09 lakhs respectively. Our PAT for the financial year ended on Fiscals 2025, 2024 and 2023 was ₹1079.38 lakhs, ₹ 687.90 lakhs, and a loss of ₹ 129.46 lakhs respectively. For further details, please refer to the section titled “Financial Information” on page 204 of this Draft Red Herring Prospectus.

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## **KEY INDUSTRY REGULATIONS**

*The following description is a summary of the relevant laws, regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice.*

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled **“Government and Other Approvals”** beginning on page 261 of this Draft Red Herring Prospectus.*

*Set forth below are certain significant legislations and regulations which generally govern the business and operations of our Company:*

### **THE COMPANIES ACT, 2013**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 (and the amendments thereof) is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

### **SEBI REGULATIONS**

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **SALE OF GOODS ACT, 1930 (THE "SALE OF GOODS ACT")**

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

### **COMPETITION ACT, 2002**

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to ₹1 lakh for each day during such failure subject to maximum of Rupees One Crore.

## **THE INDIAN STAMP ACT, 1899**

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not 'duly stamped' cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court. The Indian Stamp (Haryana Amendment) Act, 2020 in this amendment following section has been substituted 47-A and 47-B to Central Act 2 of 1899 is notified by Government of Haryana in Official Gazette on the dated February 27, 2020.

## **THE ARBITRATION AND CONCILIATION ACT, 1996**

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

## **TRANSFER OF PROPERTY ACT, 1882**

The Transfer of Property Act, 1882 (the "T.P. Act") governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

## **THE REGISTRATION ACT, 1908**

Registration Act was introduced to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud. Registration lends inviolability and importance to certain classes of documents.

## **THE INDIAN CONTRACT ACT, 1872**

The Indian Contract Act, 1872 codifies the legal principles that governs both oral and written 'contracts' including express and implied contracts. The Act basically identifies the ingredients of a legally enforceable valid contract in addition to dealing with certain special type of contractual relationships like indemnity, guarantee, bailment, pledge, quasi contracts, contingent contracts etc. In India, Indian Contract Act, 1872 governs the Contract and its applicability extends to whole of India. It came into force on First day of September 1872. Section 2(h) defines —Contract as an agreement enforceable by law; in other words, it is a) A Contract is an agreement; an agreement is a promise and a promise is an accepted proposal; b) An Agreement which is legally enforceable alone is a contract. Section 2(e) of the act defines the term Agreement as, 'every promise or every set of promises forming consideration for each other'. An Agreement is a promise or a commitment or set of reciprocal promises or commitments. An agreement involves an offer or proposal by one person and acceptance of such offer or proposal by another person. Section 2(b) defines term Promise i.e., —When a person to whom proposal is made signifies his assent thereto, the proposal is said to be accepted. Proposal when accepted becomes a promise. Section 2(d) defines Lawful Consideration as a mean for 'compensation' for doing or omitting to do an act or deed. It is also referred to as 'quid pro quo' viz., 'something in return for another thing'. Section 2(b) defines Promise as —A Proposal when accepted becomes a promise. In simple words, when an offer is accepted it becomes promise. Section 2(c) defines Promisor and promisee as —When the proposal is accepted, the person making the proposal is called as promisor and the person accepting the proposal is called as promisee. An agreement enforceable by law is a valid contract. In other words, it satisfies all the requirements of a valid contract as laid down in section 10. If any of the essential requirements is missing it becomes a void contract.

## **LEGAL METROLOGY ACT, 2009**

The Legal Metrology Act, 2009 ("L.M. Act") governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

## **THE FACTORIES ACT, 1948**



The Factories Act, 1948 ("Factories Act") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

## **INFORMATION TECHNOLOGY ACT, 2000**

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. Secondary or subordinate legislation to the IT Act includes the Intermediary Guidelines Rules 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rule, 2021. The laws apply to the whole of India. The Act provides a legal framework for electronic governance by giving recognition to electronic records and digital signatures. It also defines cyber-crimes and prescribes penalties for them. If a crime involves a computer or network located in India, persons of other nationalities can also be indicted under the law. The Act directed the formation of a Controller of Certifying Authorities to regulate the issuance of digital signatures. It also established a Cyber Appellate Tribunal to resolve disputes arising from this new law.

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

### **The Maharashtra Shops And Establishments (Regulation Of Employment And Conditions Of Service) Act, 2017**

Under the provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 the establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **The Micro, Small And Medium Enterprises Development Act, 2006**

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

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

The revised definition is as under:

- i. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed two crore and fifty lakh rupees and turnover does not exceed ten crore rupees;
- ii. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed twenty five crore rupees and turnover does not exceed hundred crore rupees; and
- iii. a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed one hundred and twenty five crore rupees and turnover does not exceed five hundred crore rupees.

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

### **The Consumer Protection Act, 2019**

The Consumer Protection Act provides better protection to the interests of consumers. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers' disputes and matters connected therewith. The Consumer Protection Act protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressal forums set up under the Act.

## **Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) and the proposed amendments to the E-Commerce Rules**

The Ministry of Consumer Affairs issued the E-Commerce Rules under the Consumer Protection Act, 2019 on July 23, 2020. The E-Commerce Rules provide a framework to regulate the marketing, sale and purchase of goods and services online. These rules apply to (a) good/services purchases or sold via digital or electronic network, including digital products; (b) marketplace and inventory e-commerce entities; (c) all e-commerce retailing; and (d) forms of unfair trade practices across all e-commerce models. It specifies the Duties of E-commerce Entities, specific duties and liabilities of marketplace e-commerce entities and those of inventory e-commerce entities, and duties of sellers on marketplace. The E-Commerce Rules further requires the e-commerce entity to appoint grievance officer and provide for a grievance redressal mechanism. Any violation of these rules attracts penal action under the Consumer Protection Act, 2019. The Ministry of Consumer Affairs, Food and Public Distribution has on June 21, 2021 released proposed amendments to the E-Commerce Rules, 2020, for comments, which, amongst others, imposes new registration requirements for online retailers, mandatory partnering with the National Consumer Helpline, a ban on —specific flash sales and mandating sharing of information with Government agencies. Specific flash sales or back-to-back sales, which limit customer choices, increase prices and prevent a level playing field, will not be allowed. Further, the proposed changes would require that e-commerce businesses should mention the name and details of any importer from whom it has purchased such goods or services alongside providing alternative suggestions to customers before they make a purchase to ensure fair opportunity for domestic goods. Additionally, the e-commerce entity shall not allow display or promotion of any misleading advertisement or engage in mis-selling of goods on the platform. The rules have also introduced the concept of —fallback liability, which says that e-commerce businesses will be held liable in case a seller on their platform fails to deliver goods or services due to negligent conduct, which causes loss to the customer. Additionally, they would be required to share information within 72 hours with government agency which is lawfully authorized for investigative or protective or cyber security activities, for the purposes of verification of identity, or for the prevention, detection, investigation, or prosecution, of offences under any law for the time being in force, or for cyber security incidents.

## **Draft E-Commerce Policy, 2019 (“2019 Draft Policy”)**

In March 2019, the DPIIT had invited comments from stakeholders and the public on the 2019 Draft Policy. Among other items, the 2019 Draft Policy proposed that measures should be taken to regulate cross-border data flow, establish a level playing field for domestic and foreign e-commerce players, boost sale of domestic products through e-commerce, and generally regulate e-commerce in India. DPIIT is currently working on a revised draft policy

## **TAX RELATED LAWS**

### **Income Tax Act, 1961**

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or rules made thereunder depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of person’s resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such company is also required to file its returns by September 30 of each assessment year.

### **Goods and Services Tax Act, 2017 (the "GST Act")**

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

### **Maharashtra Tax on Professions, Trade, Callings and Employments Act, 1975**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by

any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

### **Maharashtra State Tax on Professions, Trades, Callings and Employments Acts, 1975**

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

### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e., taken out of India to a place outside India. Any Company desirous of importing or exporting any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). The rates of basic customs duty are specified under the Customs Tariff Act, 1975.

## **LABOUR LAWS**

### **The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957**

The Industrial Disputes Act, 1947 ("ID Act") was enacted to make provision for investigation and settlements of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions in the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman's services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock outs, closures, lay-offs and retrenchment.

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFA") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPFA provides for the institution of provident funds and pension funds for employees in establishments where more than 20 persons are employed and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPFA also prescribes penalties for avoiding payments required to be made under the abovementioned schemes. The Act is administered by the Government of India through the Employees' Provident Fund Organisation (EPFO). The following three schemes have been framed under the Act by the Central Government:

- a) The Employees' Provident Fund Schemes, 1952;
- b) The Employees' Pension Scheme, 1995; and
- c) The Employees' Deposit-Linked Insurance Scheme; 1976

### **The Employees State Insurance Act, 1948**

The Employees State Insurance Act, 1948 ("ESI Act") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In

addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### **The Code on Social Security, 2020**

The Government of India has decided to consolidate around 29 central labour laws into 4 codes which are: (a) Code on Wages, 2019, (b) the Code on Social Security, 2020, (c) the Occupational Safety, Health and Working Conditions Code, 2020 and (d) the Industrial Relations Code, 2020. The Code on Social Security, 2020 has been passed by both the houses of parliament and has received the assent of the President on September 28, 2020. However, the Code will be in force from such date the Central Government by notification may appoint. The said Code will subsume various social security, retirement and employee benefit laws like ESI Act, EPF Act, Maternity Benefit Act, Payment of Gratuity Act, etc. Certain other Labour laws and regulations that may be applicable to our Company including the following:

### **The Employees' Compensation Act, 1923**

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty

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

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 58 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### **Equal Remuneration Act, 1976**

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

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

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period before and after child birth. It provides, inter-alia, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

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

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

The Payment of Bonus Act, 1965 ("PB Act") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year minimum and maximum bonus and linking the payment of bonus with the production and productivity.

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

The Minimum Wages Act, 1948 ("MW Act") came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorized to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including outworkers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

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

The Payment of Gratuity Act, 1972 ("PG Act") applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years: a) On his/her superannuation;

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

### **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

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

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule

### **Workmen's Compensation Act, 1923**

The Act provides safety to the workman if any personal injury is caused to a workman by accident arising out of and in the course of his employment his employer shall be liable to pay compensation in accordance with the provisions of this Act. Provided that the employer shall not be so liable –

1. In respect of any injury which does not result in the total or partial disablement of the workman for a period exceeding three days;
2. In respect of any injury not resulting in death or permanent total disablement caused by an accident.

### **Maharashtra Labour Welfare Fund Act, 1963**

The Maharashtra Labour Welfare Fund Act, 1963 came into effect on June 17, 1963 and it was adopted and modified by the Bombay Labour Welfare Board (Reconstitution) Order, 1969. This was an Act to provide for the constitution of a fund for the financing of activities to promote welfare of labour in the State of Maharashtra. The Maharashtra Labour Welfare Fund is constituted for the purpose of providing financial and social security to the labourers working in the establishments. The fund is utilized absolutely for the welfare purposes of the labourers such as uplifting their standards of living to meet the basic standards, improving their working conditions etc. In the case of failure the notice will be issued to employer to pay amount on time by welfare Commissioner. If the employer subsequently fails to make the required amount then for 1st 3 months interest at 1.5% of the said unpaid amount and after that interest at 2% of the unpaid amount.

## ENVIRONMENTAL LAW

### **The Environment (Protection) Act, 1986 (“EPA”)**

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emit any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution.

## INTELLECTUAL PROPERTY LAWS

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

The Copyright Act, 1957 (the “Copyright Act”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

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

The Trademarks Act, 1999 (the “Trademarks Act”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

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

Under statute, India provides for the patent protection under the Patents Act, 1970 (the “Patents Act”). The Patents Act governs the patent regime in India and recognizes process patents as well as product patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

### **The Designs Act, 2000**

The Designs Act, 2000 (the “Designs Act”) protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

## FOREIGN INVESTMENT REGULATIONS

### **Foreign Exchange Management Act, 1999 (“FEMA”)**

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services



## **Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)**

The Foreign Trade (Development & Regulation) Act, 1992 The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

## **Foreign Direct Investment Policy, 2020**

With the intent and objective of the Government of India to attract and promote foreign direct investment in order to supplement domestic capital, technology and skills, for accelerated economic growth. The 134 Government of India has put in place a policy framework on Foreign Direct Investment, which is transparent, predictable and easily comprehensible. This framework is embodied in the Circular on Consolidated FDI Policy, which may be updated every year, to capture and keep pace with the regulatory changes, effected in the interregnum. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes/press releases which are notified by the RBI as amendments to the FEMA Regulations. These notifications take effect from the date of issue of press notes/ press releases, unless specified otherwise therein. In case of any conflict, the relevant FEMA Notification will prevail. The procedural instructions are issued by the RBI vide A.P. (DIR Series) Circulars. The regulatory framework, over a period of time, thus, consists of Acts, Regulations, Press Notes, Press Releases, Clarifications, etc. In addition to the above, our Company is also required to comply with the provisions of the SEBI regulations and rules framed thereunder, and other applicable statutes enacted by the Government of India or relevant state governments and authorities for our day- to-day business and operations. Our Company is also subject to various central and state tax laws.

## **FEMA Rules**

The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 (“FEMA Rules”) to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment (“FDI”) under the “automatic route” within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

## **OTHER GENERAL REGULATIONS**

### **State Laws**

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

### **Municipality Laws**

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

### **Approvals from Local Authorities**

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.



### **Other regulations**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

### **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

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## **HISTORY AND CORPORATE STRUCTURE**

### **BRIEF BACKGROUND AND HISTORY**

Our Company was originally incorporated as “Encompass Design India Private Limited” a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 2010 issued by Registrar of Companies, Mumbai. Further, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated March 31, 2025 and consequently, the name of our Company was changed from “Encompass Design India Private Limited” to “Encompass Design India Limited” and a fresh certificate of incorporation dated May 05, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U74210MH2010PLC200672.

The Promoters of our Company are Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta.

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled **“Industry Overview”, “Business Overview”, “Our Management”, “Financial information of our company”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** on pages 112, 128, 180, 204 and 236 respectively.

### **ADDRESS OF REGISTERED OFFICE**

The Registered Office of the Company is situated at Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E), Mumbai, Maharashtra, India - 400063.

#### ***Change in Registered Office of the Company Since Incorporation:***

There has not been any change in our Registered Office since incorporation till date of this Draft Red Herring Prospectus except the change mentioned hereunder:

<b>From</b>	<b>To</b>	<b>With effect from</b>	<b>Reason for change</b>
101, Cama Industrial Estate, Sun Mill Compound, Lower Parel, Mumbai - 400013.	Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon (E), Mumbai, Maharashtra, India - 400063.	5 <sup>th</sup> November ,2022	Administrative Convenience

### **OUR MAIN OBJECTS**

- a. To engage in wholesale and retail business both online and offline, encompassing the production, manufacturing, importing, exporting, buying, selling, trading and marketing (including Loyalty Marketing) of own and third-party brands in categories such as home décor, furnishings, food products, and consumer electronics and accessories including but not limited to dealing in manmade handloom, cotton, silk, wool, jute, artificial silk, terelene, table linen made of cotton, linen, polyester, nylon, bamboo, bamboo fibres and any other type of yarn, fabrics and to make, process, alter, covert the yarn, fabrics into readymade garments, made ups, bedsheets, pillow covers, duvets, upholstery, tapestry, needlework, neckware, ties, collars, scarves, tinsol fabrics threads, furnishing fabrics, hosiery, tapestry, linen curtains and mattresses by process of spinners, doublers, combers, scourers, weavers, jacquard, knitters, finishers, bleachers, dyers, printers and any other kind of home furnishing products and also to produce or market household goods such as tableware, crockery and cutlery items made of either ceramic, porcelain, plastic, metal or any other material and accessories like showers, shower caddies, curtains, curtain rods, door mat, soap dispenser, bath robes, towels, bath rugs, fancy fittings, wallhooks, towel rods, or stands etc made of plastic, steel, bamboo, wood, glass or any other material as may be permissible.
- b. To carry on the business of manufacturers, consulting importers, exporters, wholesalers, retailers and sellers of all type of goods and rendering services in connection with interior designing and other lifestyle products in India or elsewhere through online or any other mode.

- c. To carry on in India or elsewhere the business of marketing, promoting, advertising, franchising or dealing in any of the above activities both internal and external markets, on any advertising media or any other online or digital means, on its own or through any sort or nature and to appoint sub-franchisers for any of the above purposes, in India or elsewhere and marketing through online marketing, digital marketing in various sites and to provide technology services for retail and wholesale traders.
- d. To carry on the business of general carriers, forwarding agents and warehouses.
- e. To act as Logistics fulfilment centers and commission agents.

## CHANGES IN THE MEMORANDUM OF ASSOCIATION

Except as Stated Below there has been no change in the Memorandum of Association of our Company since its Incorporation:

S.No.	Particulars	Date of Meeting	Type of Meeting
1.	Increase in Authorised Share Capital of the Company from Rs. 5,00,000 (Five Lakh) divided into 50,000 equity shares of Rs. 10/- each to Rs. 30,00,000 (Thirty Lakh) divided into 2,77,800 (Two Lakh Seventy Seven Eight Hundred equity shares and 22,200 (Twenty Two Thousand Two Hundred) 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each.	May 10 <sup>th</sup> , 2013	Extra-Ordinary General Meeting
2.	Increase in Authorised Share Capital of the Company from Rs. 30,00,000 (Thirty Lakh) divided into 2,77,800 (Two Lakh Seventy Seven Eight Hundred equity shares and 22,200 (Twenty Two Thousand Two Hundred) 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 35,50,000 (Rupees Thirty Five lakh & Fifty Thousand) divided into 2,77,800 (Two lakh Seventy Seven Thousand Eight Hundred) Equity Shares of Rs. 10/- (Rupees Ten) each and 72,200 (Seventy Two Thousand Two Hundred) 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each.	August 10, 2014	Extra-Ordinary General Meeting
3.	Increase in Authorised Share Capital of the Company from Rs. 35,50,000 (Rupees Thirty Five lakh & Fifty Thousand) divided into 2,77,800 (Two lakh Seventy Seven Thousand Eight Hundred) Equity Shares of Rs. 10/- (Rupees Ten) each and 72,200 (Seventy Two Thousand Two Hundred) 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each to Rs. 45,00,000/- (Rupees Forty Five Lacs) divided into 3,00,000 (Three Lacs) Equity Shares of Rs. 10/- (Rupees Ten) and 1,50,000 (One Lakh Fifty Thousand) Preference Shares of Rs. 10/- (Rupees Ten) each.	July 02, 2015	Extra-Ordinary General Meeting
4.	The Alteration of the Object Clause has been done by passing the Special Resolution in the Extra-Ordinary General Meeting of the Company: a.) To engage in wholesale and retail business both online and offline, encompassing the production, manufacturing, importing, exporting, buying, selling, trading and marketing (including Loyalty Marketing) of own and third-party brands in categories such as home décor, furnishings, food products, and consumer electronics and accessories including but not limited to dealing in manmade handloom, cotton, silk, wool, jute, artificial silk, terelene, table linen made of cotton, linen, polyester, nylon, bamboo, bamboo fibres and any other type of yarn, fabrics and to make, process, alter, covert the yarn, fabrics into readymade garments, made ups, bed sheets, pillow covers, duvets, upholstery, tapestry, needlework, neckware, ties, collars, scarves,	December 08, 2024	Extra-Ordinary General Meeting

	<p>tinsol fabrics threads, furnishing fabrics, hosiery, tapestry, linen curtains and mattresses by process of spinners, doublers, combers, scourers, weavers, jacquard, knitters, finishers, bleachers, dyers, printers and any other kind of home furnishing products and also to produce or market household goods such as tableware, crockery and cutlery items made of either ceramic, porcelain, plastic, metal or any other material and accessories like showers, shower caddies, curtains, curtain rods, door mat, soap dispenser, bath robes, towels, bath rugs, fancy fittings, wallhooks, towel rods, or stands etc made of plastic, steel, bamboo, wood, glass or any other material as may be permissible.</p> <p>b. To carry on the business of manufacturers, consulting importers, exporters, wholesalers, retailers and sellers of all type of goods and rendering services in connection with interior designing and other lifestyle products in India or elsewhere through online or any other mode.</p> <p>c. To carry on in India or elsewhere the business of marketing, promoting, advertising, franchising or dealing in any of the above activities both internal and external markets, on any advertising media or any other online or digital means, on its own or through any sort or nature and to appoint sub-franchisers for any of the above purposes, in India or elsewhere and marketing through online marketing, digital marketing in various sites and to provide technology services for retail and wholesale traders.</p> <p>d. To carry on the business of general carriers, forwarding agents and warehouses.</p> <p>e. To act as Logistics fulfilment centers and commission agents.</p>		
5.	Increase in Authorised Share Capital of the Company from Rs. 45,00,000/- (Rupees Forty Five Lacs) divided into 3,00,000 (Three Lacs) Equity Shares of Rs. 10/- (Rupees Ten) and 1,50,000 (One Lakh Fifty Thousand) Preference Shares of Rs. 10/- (Rupees Ten) each to 20,00,00,000 (Rupees Twenty Crores) divided into 1,98,50,000 (One Crore Ninety Eight Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) and 1,50,000 (One Lakh Fifty Thousand) Preference Shares of Rs. 10/- (Rupees Ten) each.	December 08, 2024	Extra-Ordinary General Meeting

## ADOPTING NEW ARTICLES OF ASSOCIATION OF THE COMPANY

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-Ordinary General Meeting of the Company dated March 31, 2025.

## MAJOR EVENTS AND MILESTONES OF THE COMPANY

The table below set forth some of the major events in the history of our company:

Year	Key Events/ Milestones/ Achievements
2011	Incorporation of the company as a private company under the name 'Encompass Design India Private Limited'.
2012	Commencement of E-commerce and Gated Market business operations
2022	The Company has entered into manufacturing sector.
2025	Commenced export of Stoa Paris products to the United States, marking the brand's entry into international markets
2025	Conversion of company from Private Limited to Public Limited. In consequence of such conversion, Name of our company changed from "Encompass Design India Private Limited" to Encompass Design India Limited"

## OTHER DETAILS ABOUT OUR COMPANY

For details of our Company's activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled "Business Overview", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price" on pages 128, 236 and 100 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" beginning on pages 180 and 68 of this Draft Red Herring Prospectus respectively.

### ***Material Acquisitions/ Amalgamations/ Mergers/ Revaluation of Asset/ Divestment of Business/ Undertaking***

Our Company has neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamations since incorporation till the date of the Draft Red Herring Prospectus. For further details, please refer to the Chapter titled "Our Business - Overview", "General Information" "Capital Structure - History of paid-up share capital of our Company" on Page No. 128, 58 and 68 respectively of the Draft Red Herring Prospectus

#### ***Acquisition***

As on the date of this Draft Red Herring Prospectus, no Acquisition was made by the Company.

#### ***Disinvestment***

As on the date of this Draft Red Herring Prospectus, there is no disinvestment made by the Company.

#### ***Subsidiary of our Company***

There is no Subsidiary Company as on the date of this Draft Red Herring Prospectus.

#### ***Holding Company***

As on the date of this Draft Red Herring Prospectus, there is no holding company of our Company.

#### ***Associate Company***

There is no Associate Company as on the date of this Draft Red Herring Prospectus.

#### ***Capital raising (Debt / Equity)***

For details in relation to our capital raising activities through equity, please refer to the chapter titled "Capital Structure" beginning on page 68 of this Draft Red Herring Prospectus. For details of our Company's debt facilities, please refer section "Financial Information of our Company" on page 204 of this Draft Red Herring Prospectus.

#### ***Time and Cost overruns in setting up projects***

There has been no time / cost overrun in setting up projects by our Company.

#### ***Injunction or restraining order***

There are no injunctions/ restraining orders that have been passed against the Company.

#### ***Revaluation of Assets***

Our Company has not revalued its assets since incorporation.

#### ***Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares***

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Draft Red Herring Prospectus. Furthermore, except as disclosed in chapter titled "Capital Structure" beginning on Page 68 of this Draft Red Herring Prospectus, none of the Company's loans have been converted into equity in the past.

#### ***Lock-out or strikes***

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

#### ***Shareholders of our Company***

Our Company has Twenty-Seven (27) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “Capital Structure” beginning on page 68 of this Draft Red Herring Prospectus.

### ***Changes in the Management***

For details of change in Management, please see chapter titled “Our Management” on page 180 of this Draft Red Herring Prospectus.

### ***Changes in activities of our Company during the last five (5) years***

The Alteration of the Object Clause has been done by passing the Special Resolution in the Annual General Meeting of the Company:

- a. To engage in wholesale and retail business both online and offline, encompassing the production, manufacturing, importing, exporting, buying, selling, trading and marketing (including Loyalty Marketing) of own and third-party brands in categories such as home décor, furnishings, food products, and consumer electronics and accessories including but not limited to dealing in manmade handloom, cotton, silk, wool, jute, artificial silk, terelene, table linen made of cotton, linen, polyester, nylon, bamboo, bamboo fibres and any other type of yarn, fabrics and to make, process, alter, covert the yarn, fabrics into readymade garments, made ups, bed sheets, pillow covers, duvets, upholstery, tapestry, needlework, neckware, ties, collars, scarves, tinsol fabrics threads, furnishing fabrics, hosiery, tapestry, linen curtains and mattresses by process of spinners, doublers, combers, scourers, weavers, jacquard, knitters, finishers, bleachers, dyers, printers and any other kind of home furnishing products and also to produce or market household goods such as tableware, crockery and cutlery items made of either ceramic, porcelain, plastic, metal or any other material and accessories like showers, shower caddies, curtains, curtain rods, door mat, soap dispenser, bath robes, towels, bath rugs, fancy fittings, wallhooks, towel rods, or stands etc made of plastic, steel, bamboo, wood, glass or any other material as may be permissible.
- b. To carry on the business of manufacturers, consulting importers, exporters, wholesalers, retailers and sellers of all type of goods and rendering services in connection with interior designing and other lifestyle products in India or elsewhere through online or any other mode.
- c. To carry on in India or elsewhere the business of marketing, promoting, advertising, franchising or dealing in any of the above activities both internal and external markets, on any advertising media or any other online or digital means, on its own or through any sort or nature and to appoint sub-franchisers for any of the above purposes, in India or elsewhere and marketing through online marketing, digital marketing in various sites and to provide technology services for retail and wholesale traders.
- d. To carry on the business of general carriers, forwarding agents and warehouses.
- e. To act as Logistics fulfilment centers and commission agents.

### ***Shareholders Agreements***

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

### ***Collaboration Agreements***

As on the date of this Draft Red Herring Prospectus, our Company is not a party to any collaboration agreements.

### ***Material Agreement***

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

## **OTHER AGREEMENTS**

### ***Non-Compete Agreement***

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

### ***Joint Venture Agreement***

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.

### ***Strategic Partners***

Our Company does not have any strategic partners as on the date of this Draft Red Herring Prospectus.

### ***Financial Partners***

Our Company does not have any financial partners as on the date of this Draft Red Herring Prospectus. ***Corporate Profile of our Company***

For details on the description of our Company's activities, the growth of our Company, please see "Business Overview", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis of Issue Price" on pages 128, 236 and 100 of this Draft Red Herring Prospectus.

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## OUR MANAGEMENT

**Board of Directors:** As per the Articles of Association, our Company is required to have not less than Three (3) Directors and not more than Fifteen (15) Directors, unless otherwise determined by our Company through a special resolution. As on the date of this Draft Red Herring Prospectus we have Six (6) directors comprising, two (2) Non- Executive Independent Directors including one women Independent director, one Non-Executive Director and Three (3) Executive Directors.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

S.no.	Name, Father's Name, Age, Designation, Occupation, Qualification, Nationality, & DIN	Date of Appointment	No. of Equity shares held & % of shareholding (Pre-Issue)	Other Directorships
1.	<b>Mr. Amit Rajendraprasad Dalmia</b> <b>Father's Name-</b> Rajendra Prasad Dalmia <b>Date of Birth-</b> 21.08.1977 <b>Age-</b> 47 Years <b>Designation-</b> Chairman & Managing Director <b>Address-</b> 57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai, Maharashtra - 400049 <b>Experience-</b> 27 Years <b>Category-</b> Promoter <b>Qualification-</b> Bachelor of Business Administration (B.B.A) <b>Nationality-</b> Indian <b>DIN-</b> 00210919	Originally appointed as Director Since incorporation of the company i.e. March 09, 2010.  Further Re-Designated as Chairman & Managing director w.e.f May 07, 2025 for a period of 5(five) years and not liable to retire by rotation.	72,59,281 Equity Shares which constitutes 69.63% of Paid up capital	1. OTH Online Private Limited
2.	<b>Mrs. Susmita Amit Dalmia</b> <b>Father's Name-</b> Omprakash Goenka <b>Date of Birth-</b> 14.10.1978 <b>Age-</b> 46 Years <b>Designation-</b> Whole Time Director <b>Address-</b> 57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai, Maharashtra - 400049 <b>Experience-</b> 20 Years <b>Category-</b> Promoter <b>Qualification-</b> (Masters Degree in Business information technology) <b>Nationality-</b> Indian <b>DIN-</b> 02401290	Originally appointed as Director on March 16, 2013  Further Re-Designated as Whole-Time Director w.e.f May 07, 2025 for a period of 5(five) years and liable to retire by rotation.	2,00,598 Equity Shares which constitutes 1.92% of Paid up capital	1. OTH Online Private Limited
3.	<b>Mr. Ruman Kailash Agarwal</b> <b>Father's Name-</b> Kailash Agarwal <b>Date of Birth-</b> 04.10.1983 <b>Age-</b> 41 Years <b>Designation-</b> Whole Time Director <b>Address-</b> 02, Lok Sagar, Plot 32/33, Sector 14, Navi Mumbai, Vashi, Thane, Maharashtra 400703 <b>Experience-</b> 19 Years	Originally appointed as Director on April 05, 2025  Further Designated as Whole-Time Director w.e.f May 07, 2025 for a period of 5(five) years and liable to retire by rotation.	4,49,935 Equity Shares which constitutes 4.32% of Paid up capital	NIL

	<b>Category-</b> Promoter <b>Qualification-</b> Bachelor of Science in Business Administration <b>Nationality-</b> Indian <b>DIN-</b> 11004779			
4.	<b>Mr. Tejpal Singh</b> <b>Father's Name-</b> Ratan Singh <b>Date of Birth-</b> 08.06.1979 <b>Age-</b> 46 Years <b>Designation-</b> Non-Executive Director <b>Address-</b> C1-1885, Sushant City-1, Mansa Road, Kot Shamir, Bathinda, Punjab- 151001 <b>Experience-</b> 25 Years <b>Category-</b> Professional <b>Qualification-</b> Masters Program in Business Operations <b>Nationality-</b> Indian <b>DIN-</b> 11111989	Originally appointed as Additional Non-Executive Director on May 19, 2025  Further, regularized as Non-Executive Director in an Extra-ordinary General Meeting held on June 11, 2025 who shall be liable to retire by rotation.	NIL	NIL
5.	<b>Ms. Himanshi Tiwari</b> <b>Father's Name-</b> Santosh Tiwari <b>Date of Birth-</b> 15.09.1995 <b>Age-</b> 29 Years <b>Designation-</b> Independent Director <b>Category-</b> Professional <b>Address-</b> H.NO. 268, Ward no 15, Bos Colony, Near Bora company, Maihar, Madhya Pradesh- 485771 <b>Experience-</b> 3 Years <b>Qualification-</b> Qualified Company Secretary and Master of Business Administration (MBA) <b>Nationality-</b> Indian <b>DIN-</b> 10545195	Recommended by Board for Appointment as Independent Director as on May 07, 2025  Appointed as Independent Director in an Extra-ordinary General Meeting held on May 30, 2025 for a period of 5 years not liable to retire by rotation.	NIL	1. ATC Energies System Limited
6.	<b>Mr. Saahil Prakash Dugar</b> <b>Father's Name-</b> Prakash Sampat Dagar <b>Date of Birth-</b> 27.07.1983 <b>Age-</b> 41 Years <b>Designation-</b> Independent Director <b>Category-</b> Professional <b>Address-</b> 902 – A Wing, Vivarea, Sane Guruji Marg, Off Jacob Circle, Mahalaxmi, Mumbai City, Maharashtra-400011 <b>Experience-</b> 19 Years <b>Qualification-</b> MBA in Finance <b>Nationality-</b> Indian <b>DIN-</b> 01186726	Recommended by Board for Appointment as Independent Director as on May 07, 2025  Appointed as Independent Director in an Extra-ordinary General Meeting held on May 30, 2025 for a period of 5(five) years and not liable to retire by rotation.	NIL	1. Bagalkot Cement & Industries Limited. 2. Polestar Maritime Limited

## **BRIEF PROFILE OF OUR DIRECTORS**

### ***1. Mr. Amit Rajendraprasad Dalmia, Chairman & Managing Director, Age- 47 Years***

Mr. Amit Rajendraprasad Dalmia has over 27 years of experience in technology, digital commerce, and brand development. A graduate of the Wharton School, he has been associated with various ventures including IntelliNet Software, Creative Global Services, Viaton (green energy), OliveTheory (home decor e-commerce), and Accio.ai (visual-AI advertising). He began his entrepreneurial career in 1999 and has worked on integrating emerging technologies with business models. He is currently serving as the Chairman and Managing Director of Encompass Design India Limited for a term of five years, not liable to retire by rotation. He is responsible for innovation, product development, and partnerships across the company's digital consumer brand.

### ***2. Mrs. Susmita Amit Dalmia, Whole-time Director, Age-46 years***

Mrs. Susmita Amit Dalmia holds a Master's degree in Business Information Technology from Middlesex University, UK, and has over 20 years of experience in technology, design, and commerce. She began her career at Creative Global Services, where she was involved in programming and web development, managing teams across sectors such as publishing, logistics, and e-commerce. She subsequently worked on UI/UX at OTH Online and oversaw operations at Home Craft. She is currently associated with Encompass Design India Limited since 2013 and as a Whole-Time Director since 2025 for a period of five years and is liable to retire by rotation. Her responsibilities include product development and design, with a focus on merchandising.

### ***3. Mr. Ruman Kailash Agarwal, Whole Time Director, Age-41 Years***

Mr. Ruman Kailash Agarwal has over 19 years of experience in product strategy, digital marketing, technology, e-commerce, and operations. He began his career at Creative Global Services, where he held various roles including Senior Vice President, overseeing project management, client servicing, and digital strategy across multiple sectors. He has also worked on web development and performance marketing for e-commerce ventures such as BrandsnDeals, BedBathMore, and OliveTheory at Encompass Design India and Home Craft. He is currently associated with Encompass Design India Limited, where he is responsible for operations and growth through digital marketing initiatives.

### ***4. Mr. Tejpal Singh, Non-Executive Director, Age- 46 Years***

Mr. Tejpal Singh is a Non-Executive Director of the Company and is liable to retire by rotation. He holds a Master's degree in Business Operations from Sikkim Manipal University and has over 25 years of experience across sectors such as power, steel trading, information technology, apparel, and retail. He is currently serving as the Chief Executive Officer of Gajanan Tubes and Shree Gajanan Enterprise. In the past, he has held positions at GlobalSpace Technologies, Creative Global Services, and CLC Technologies, where he was involved in enterprise mobility solutions, IT infrastructure management, and implementation of digital production environments across distributed teams.

### ***5. Ms. Himanshi Tiwari, Independent Director, Age – 29 Years***

Ms. Himanshi Tiwari is an Independent Director of our Company for a period of 5 years who shall not liable to retire by rotation. She holds a Bachelor's Degree from the Rani Durgavati Vishwavidyalaya, Jabalpur, Madhya Pradesh (2016), a Degree in Master of Business Administration from the Rani Durgavati Vishwavidyalaya, Jabalpur, Madhya Pradesh (2019) and has also qualified as a Company Secretary from the Institute of Company Secretaries of India (2021). She is associated with Silicon Rental Solutions Limited since August, 2022 as a Company Secretary and Compliance Officer of the Company. She has 3 years of experience in corporate governance practices.

### ***6. Mr. Saahil Prakash Dugar, Independent Director, Age-41 Years***

Mr. Saahil Prakash Dugar has 19 years of experience in real estate investments, private credit, and capital markets. He holds an MBA in Finance from Baruch College, New York. He has held leadership roles at Piramal Capital, Edelweiss Financial Services, and Peninsula Realty Fund, where he was involved in originating and managing investments across various Indian markets. His areas of expertise include deal structuring, fund strategy, asset management, and portfolio resolution.

## **Confirmations**

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of the above-mentioned Directors are on the RBI list of wilful defaulters or fraudulent borrowers as on the date of filing of this Draft Red Herring Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.
- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Directors and promoters of our company.

Except as disclosed in chapter titled ***“Outstanding Litigations and Material Developments”*** beginning on Page 251 of this Draft Red Herring Prospectus, there is no criminal cases filed or being undertaken with regard to alleged commission of any offence by any of our directors which also effected the business of our company and none of directors of our Company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc

Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

**Nature of any family relationship between any of our directors:**

Except as mentioned below none of the Directors of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013

Name of the Director	Relationship with	Nature of Relationship
Mr. Amit Rajendraprasad Dalmia	Mrs. Susmita Amit Dalmia	Spouse of Mrs. Susmita Amit Dalmia
Mrs. Susmita Amit Dalmia	Mr. Amit Rajendraprasad Dalmia	Spouse of Mr. Amit Rajendraprasad Dalmia

**Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

**Service Contracts:**

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

**Details of Borrowing Powers of Directors:**

Our Company has passed a Special Resolution in the Extra-ordinary General Meeting of the members held on May 30, 2025, authorising the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 and rules made thereunder (including any statutory modification or re-enactments thereof for the time being in force) subject to the provisions of Article of Association of the Company, the consent of the members be and is hereby accorded to borrow any sum of monies, from time to time, in any form including but not limited to by way of loans, financial facility, through the issue of debentures, commercial papers or such other form, upon such terms and conditions as to interest, repayments or otherwise and with or without security as the board may think fit for the purpose of Company’s business notwithstanding that the money to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the company’s banker in the ordinary course of business) may exceed the aggregate of the paid up share capital of the company and its free reserves, provided the total amount so borrowed shall not exceed at any point of time a sum equivalent to Rs. 500 Crore (Rs. Five Hundred Crores Only).

**Compensation of our Managing Director and Whole Time Directors:**

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their

appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Director:

Particulars	Mr. Amit Rajendraprasad Dalmia (Managing Director)	Mrs. Susmita Amit Dalmia (Whole Time Director)	Mr. Ruman Kailash Agarwal (Whole Time Director)
Re-Appointment / Change in Designation	May 07, 2025	May 07, 2025	May 07, 2025
Designation	Chairman & Managing Director	Whole Time Director	Whole Time Director
Term of Appointment	5 Years	5 Years	5 Years
Remuneration paid for FY 2024-25	INR 12 lakhs	INR 24 Lakhs	N.A.

#### **Bonus or Profit-Sharing Plan for our Directors:**

We have no bonus or profit-sharing plan for our directors.

#### **Sitting Fee:**

The Articles of Association of our company provide that payment of sitting fees to Directors (other than Managing Director & Whole-Time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors has resolved in their meeting dated May 07, 2025, as per Section 197(5) of the Companies Act, 2013, read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and hereby accords to pay sitting fees to Non-Executive Directors including independent directors of the Company of Rs. 20,000/- (Rupees Twenty Thousand Only) for attending each of the Board meeting of the Company and Rs. 10,000/-(Rupees Ten Thousand Only) for attending each of the Board Committee meeting of the Company.

#### **SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY**

S. No.	Name of Director	No. of Shares held	Holding in % (Pre-Issue)
1.	Mr. Amit Rajendraprasad Dalmia	72,59,281 Shares	69.63%
2.	Mrs. Susmita Amit Dalmia	2,00,598 Shares	1.92%
3.	Mr. Ruman Kailash Agarwal	4,49,935 Shares	4.32%

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

#### **INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer- "***Compensation of our Managing Director a Whole Time Directors***" above, under chapter titled "***Our Management***" beginning on page 180 of this Draft Red Herring Prospectus.

Our directors may also be regarded as interested to their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are

interested in the Company in the following manner:

Further our director may also be interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our directors may also be interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding three years from the date of this Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section “*Our Management*” or the section titled “*Restated Financial Statement - Related Party Transactions*” beginning on page 180 and 205 respectively of this Draft Red herring Prospectus, and except to the extent of shareholding in our Company, our directors do not have any other interest in our business.

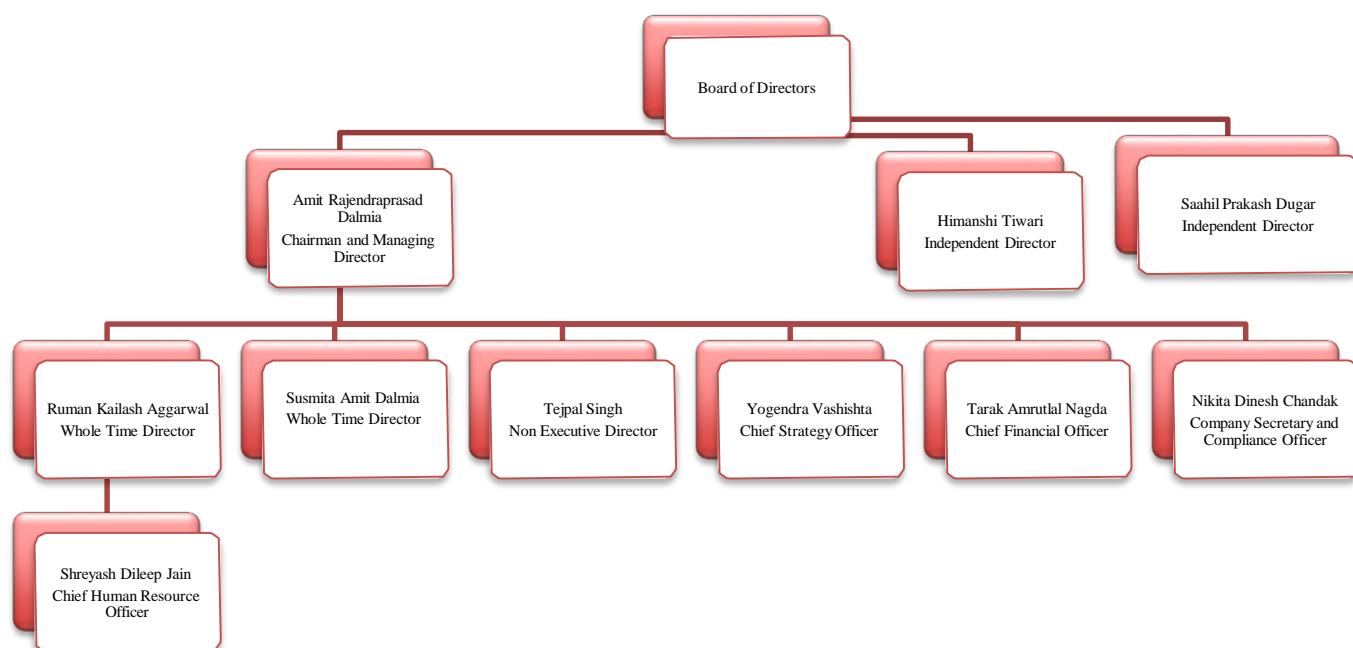
#### **Interest in the Property of our Company**

Except as disclosed above and in the chapters titled “*Business Overview*” and “*Restated Financial Statement – Related Party Transactions*” and “*History and Corporate Structure*” on page, 128, 227 and 174 respectively of this Draft Red Herring Prospectus, our directors do not have any interest in any property acquired two years prior to the date of this Draft Red Herring Prospectus.

#### **CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS**

S.no.	Name	Date of Appointment/ Promotion/ Cessation/ Transfer	Reason
1.	Mr. Ruman Kailash Agarwal	Appointed as Additional director w.e.f April 05, 2025 and regularized as Executive Director w.e.f May 30, 2025	To ensure better Corporate Governance.
2.	Mr. Tejpal Singh	Appointed as Additional director w.e.f May 19, 2025 and regularized as Non-Executive Non Independent Director w.e.f June 11, 2025	To ensure better Corporate Governance.
3.	Mr. Ruman Kailash Agarwal	Designated as Whole-Time Director w.e.f May 30, 2025	To ensure better Corporate Governance.
4.	Mr. Amit Rajendraprasad Dalmia	Designated as Chairman & Managing Director w.e.f May 30, 2025	To ensure better Corporate Governance
5.	Mrs. Susmita Amit Dalmia	Designated as Whole-Time Director w.e.f May 30, 2025	To ensure better Corporate Governance
6.	Mr. Saahil Prakash Dugar	Appointed as Independent Director w.e.f May 30, 2025	To ensure better Corporate Governance
7.	Ms. Himanshi Tiwari	Appointed as Independent Director w.e.f May 30, 2025	To ensure better Corporate Governance

#### **MANAGEMENT ORGANIZATION STRUCTURE**



## COMPLIANCE WITH CORPORATE GOVERNANCE

As on date of this Draft Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavours to comply with the good Corporate Governance and accordingly certain exempted regulations have been compiled by our Company.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Seven (6) directors of which our Company has 3 Executive Directors, 1 Non-Executive Director and 2 Independent Directors on the Board (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Our Company has constituted the following committees:

### 1. Audit Committee

Our Company has constituted an Audit Committee (“Audit Committee”), vide Board Resolution dated June 09, 2025 as per the applicable provisions of the Section 177 of the Companies Act, 2013. As on date the of this Draft Red Herring Prospectus the Audit Committee comprises following members:

Name of Director	Status in Committee	Nature of Directorship
Mr. Saahil Prakash Dugar	Chairperson	Independent Director
Ms. Himanshi Tiwari	Member	Independent Director
Mr. Ruman Kailash Agarwal	Member	Whole- Time Director



The Company Secretary and Compliance Officer of our Company shall act as a Secretary to the Audit Committee.

The scope and function of the Audit Committee is in accordance with section 177 of the Companies Act. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairperson of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

- A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.
- B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting.
- C. Role and Powers:** The Audit Committee shall have powers, which should include the following:
- a) to investigate any activity within its terms of reference;
  - b) to seek information from any employee of our Company;
  - c) to obtain outside legal or other professional advice;
  - d) to secure attendance of outsiders with relevant expertise if it considers necessary;
  - e) to have full access to information contained in records of Company; and
  - f) such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

#### **Role of Audit Committee:**

- a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
- c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (i) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (ii) changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) major accounting entries involving estimates based on the exercise of judgment by management;
  - (iv) significant adjustments made in the financial statements arising out of audit findings;
  - (v) compliance with listing and other legal requirements relating to financial statements;
  - (vi) disclosure of any related party transactions;
  - (vii) modified opinion(s) in the draft audit report;
- e) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
- f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) formulating a policy on related party transactions, which shall include materiality of related party transactions;
- i) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- j) scrutiny of inter-corporate loans and investments;
- k) valuation of undertakings or assets of the Company and appointing a registered valuer in terms of Section 247 of the Companies Act, wherever it is necessary;

- l) evaluation of internal financial controls and risk management systems;
- m) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- n) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- o) discussion with internal auditors of any significant findings and follow up there on;
- p) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- q) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- r) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- s) to review the functioning of the whistle blower mechanism;
- t) monitoring the end use of funds through public Issues and related matters;
- u) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- v) identification of list of key performance indicators and related disclosures in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, for the purpose of the Company's proposed initial public Issuing;
- w) carrying out any other function as is mentioned in the terms of reference of the audit committee or as required as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or any other applicable law, as and when amended from time to time;
- x) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and
- y) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
  - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
  - (ii) annual statement of funds utilized for purposes other than those stated in the Issue document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- To review the financial statements, in particular, the investments made by any unlisted subsidiary; and

## 2. *Stakeholder Relationship committee*

Our Company has formed the Stakeholders Relationship Committee in terms of Section 178(5) and other applicable provisions of companies Act, 2013 as amended from time to time vide its Resolution in meeting dated June 09 2025. The constituted Stakeholders Relationship Committee comprises the following:

Name of Director	Status in Committee	Nature of Directorship
Ms. Himanshi Tiwari	Chairperson	Independent Director
Mr. Amit Rajendraprasad Dalmia	Member	Chairman & Managing Director
Mrs. Susmita Amit Dalmia	Member	Whole- Time Director

The Company Secretary and Compliance Officer of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. **Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. **Meetings:** The Stakeholders Relationship Committee shall meet at least once in a year and shall report to the Board on an annual basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

### **Roles & Terms of Reference**

- a) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- b) Review of measures taken for effective exercise of voting rights by shareholders.
- c) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time-to-time
- d) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- e) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- f) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
- g) Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

### **3. Nomination & Remuneration committee**

Our Company has formed the Nomination and Remuneration Committee in terms of Section 178 sand other applicable provisions of companies Act,2013 as amended from time to time vide its Resolution in meeting dated June 09, 2025. The Nomination and Remuneration Committee comprise the following:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Ms. Himanshi Tiwari	Chairperson	Independent Director
Mr. Saahil Prakash Dugar	Member	Independent Director
Mr. Tejpal Singh	Member	Non-Executive Director

The Company Secretary and Compliance Officer of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following;

- A) **Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B) **Meetings:** The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

### **Role & Terms of Reference:**

- A) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy"). The Nomination and Remuneration Committee, while formulating the Remuneration policy, should ensure that:
- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

B) formulation of criteria for evaluation of performance of independent directors and the Board

C) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

(iv) use the services of an external agencies, if required;

(v) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(vi) consider the time commitments of the candidates.

D) devising a policy on Board diversity;

E) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

F) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

G) recommend to the Board, all remuneration, in whatever form, payable to senior management;

H) perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:

- administering the employee stock option plans of the Company, as may be required;
- determining the eligibility of employees to participate under the employee stock option plans of the Company;
- granting options to eligible employees and determining the date of grant;
- determining the number of options to be granted to an employee;
- determining the exercise price under the employee stock option plans of the Company; and
- construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.

I) carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

#### **4. Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on June 09, 2025. As on the date of this Red Herring Prospectus the Corporate Social Responsibility Committee comprises of:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Amit Rajendraprasad Dalmia	Chairperson	Chairman & Managing Director
Mr. Saahil Prakash Dugar	Member	Independent Director
Mrs. Susmita Amit Dalmia	Member	Whole-Time Director

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

- To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one – third of its total strength (any fraction contained in that one- third be rounded off as one) or two members, whichever is higher. Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Emerge platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence of the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

#### **POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS**

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the Emerge platform of NSE.

The Board of Directors at their meeting held on June 09, 2025 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

#### **OUR KEY MANAGERIAL PERSONNEL**

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

Name, Designation and Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2025 (in Rs Lakhs)	Over all experience (in years)	Previous Employment
<b>Mr. Amit Rajendraprasad Dalmia</b> Designation: Chairman & Managing Director Qualification: Bachelor of Business Administration (B.B.A)	47	Managing Director w.e.f. May 07, 2025	12 Lakhs Per Annum	27 Years	OTH Online Private Limited
<b>Mrs. Susmita Amit Dalmia</b> Designation: Whole Time Director Qualification: (Masters Degree in Business information technology)	46	Whole Time Director w.e.f. May 07, 2025	24 Lakhs Per Annum	20 Years	OTH Online Private Limited
<b>Mr. Ruman Kailash Agarwal</b> Designation: Whole Time Director Qualification: Bachelor of Science in Business Administration	41	Whole Time Director w.e.f. May 07, 2025	Appointed in Financial Year 2025-26 at 26.78 Lakhs Per Annum	19 Years	OTH Online Private Limited

<b>Mrs. Nikita Dinesh Chandak</b> Designation: Company Secretary and Compliance Officer Qualification: Member of Institute of Company Secretaries of India, Bachelor of Commerce (B. Com)	33	Company Secretary and Compliance Officer w.e.f April 05, 2025	Appointed in Financial Year 2025-26 at 4.92 Lakhs Per Annum	6 Years	B.C. Biyani Projects Private Limited
<b>Mr. Tarak Amrutlal Nagda</b> Designation: Chief Financial Officer Qualification: Bachelor of Commerce (B. Com)	41	Chief Financial Officer w.e.f 07.05.2025	Appointed in Financial Year 2025-26 at 30.85 Lakhs Per Annum	20 Years	OTH Online Private Limited

### Brief Profile of Key Managerial Personnel

#### 1. Mr. Amit Rajendraprasad Dalmia, Chairman & Managing Director, Age 47 Years

Mr. Amit Rajendraprasad Dalmia has over 27 years of experience in technology, digital commerce, and brand development. A graduate of the Wharton School, he has been associated with various ventures including IntelliNet Software, Creative Global Services, Viaton (green energy), OliveTheory (home decor e-commerce), and Accio.ai (visual-AI advertising). He began his entrepreneurial career in 1999 and has worked on integrating emerging technologies with business models. He is currently serving as the Chairman and Managing Director of Encompass Design India Limited for a term of five years, not liable to retire by rotation. He is responsible for innovation, product development, and partnerships across the company's digital consumer brand.

#### 2. Mrs. Susmita Amit Dalmia, Whole Time Director, Age- 46 Years

Mrs. Susmita Amit Dalmia holds a Master's degree in Business Information Technology from Middlesex University, UK, and has over 20 years of experience in technology, design, and commerce. She began her career at Creative Global Services, where she was involved in programming and web development, managing teams across sectors such as publishing, logistics, and e-commerce. She subsequently worked on UI/UX at OTH Online and oversaw operations at Home Craft. She is currently associated with Encompass Design India Limited since 2013 and as a Whole-Time Director since 2025 for a period of five years and is liable to retire by rotation. Her responsibilities include product development and design, with a focus on merchandising.

#### 3. Mr. Ruman Kailash Agarwal, Whole Time Director, Age- 41 Years

Mr. Ruman Kailash Agarwal has over 19 years of experience in product strategy, digital marketing, technology, e-commerce, and operations. He began his career at Creative Global Services, where he held various roles including Senior Vice President, overseeing project management, client servicing, and digital strategy across multiple sectors. He has also worked on web development and performance marketing for e-commerce ventures such as BrandsnDeals, BedBathMore, and OliveTheory at Encompass Design India and Home Craft. He is currently associated with Encompass Design India Limited, where he is responsible for operations and growth through digital marketing initiatives.

#### 4. Mrs. Nikita Dinesh Chandak, Company Secretary and Compliance Officer, Age- 33 Years

Mrs. Nikita Dinesh Chandak is the Company Secretary and Compliance Officer of the Company. She is a qualified Company Secretary and a Commerce graduate. She is a member of the Institute of Company Secretaries of India since May 15, 2018, and has over 6 years of post-membership experience in corporate secretarial practice. Her work has included responsibilities related to compliance, corporate governance, and regulatory affairs. Prior to joining the Company, she was associated with B C Biyani Projects Private Limited until March 31, 2025.

## 5. Mr. Tarak Amrutlal Nagda, Chief Financial Officer, Age – 41 Years

Mr. Tarak Amrutlal Nagda is the Chief Financial Officer of the Company. He holds a Bachelor of Commerce (B.Com) degree and has approximately 21 years of experience in finance and accounts. Prior to joining the Company, he worked as a Senior Accounts Manager at OTH Online Pvt. Ltd. His areas of work include accounting, taxation, treasury management, and regulatory compliance. He provides a broad perspective on business finance.

Sr. No.	Particulars	Details
1.	<b>Name</b>	<b>Mr. Yogendra Vashishta</b>
	<b>Designation</b>	Chief Strategy Officer
	<b>Date of Joining</b>	<b>April 01, 2025</b>
	<b>Qualification</b>	Master of Business Administration (MBA)
	<b>Remuneration paid for F.Y. 2024-2025 (₹ in Lakhs)</b>	<b>NIL#</b>
	<b>Profile</b>	Mr. Yogendra Vashishta is the Promoter and Chief Strategy Officer of the Company. He holds a Bachelor of Science (Honours) degree from Delhi University and a Master of Business Administration (MBA) degree from Maharshi Dayanand University. He has approximately 38 years of experience. Since August 2022, he has been serving as the Co-Founder and Chief Strategy Officer of the Company, with responsibilities in brand and creative strategy. Prior to this, he held leadership positions at organisations including Reliance, DDB Mudra, and VIP Industries
	<b>Details of Previous Employment</b>	1. DDB Mudra Group 2. VIP Industries Limited 3. BSES Management Services Private Limited 4. Reliance Energy Limited 5. Minority Brand Creation and Management LLP 6. OTH Online Private Limited
1.	<b>Name</b>	<b>Mr. Shreyash Dileep Jain</b>
	<b>Designation</b>	Chief Human Resources Officer
	<b>Date of Joining</b>	April 05, 2025
	<b>Qualification</b>	Bachelor of Commerce (B.Com)
	<b>Remuneration paid for F.Y. 2024-2025 (₹ in Lakhs)</b>	<b>NIL#</b>
	<b>Experience</b>	Mr. Shreyash Dileep Jain has an experience of 06 years possessing his experience on building and scaling the team, improving policies and systems, and ensuring that the company attracts, retains, and nurtures top-tier talent as it grows.
	<b>Details of Previous Employment</b>	1. TeamLease Services (Deputed at Times Internet) 2. Hunt Consulting Services 3. Constellation Blu Advisory Private Limited

# The SMPs have been appointed after March 31, 2025. Accordingly, no remuneration has been paid to them for the financial year 2024-25.

## CONFIRMATION FOR KEY MANAGERIAL PERSONNEL

### We Confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita and Mr. Ruman Kailash Agarwal are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended March 31, 2025.
- Except for the terms set forth in the appointment Letters the Key Managerial Personnel have not entered into any other



contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.

f. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.

g. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except as under:

S. No.	Name of the KMP	No of Shares held	Holding in %
1.	Mr. Amit Rajendraprasad Dalmia	72,59,281 Shares	69.63%
2.	Mrs. Susmita Amit Dalmia	2,00,598 Shares	1.92%
3.	Mr. Ruman Kailash Agarwal	4,49,935 Shares	4.32%
4.	Mr. Tarak Amrutlal Nagda	NIL	NIL
5.	Mrs. Nikita Dinesh Chandak	NIL	NIL

#### ***Shareholding of Senior Managerial Personnel***

S. No.	Name of the SMP	No of Shares held	Holding in %
1.	Mr. Yogendra Vashishta	4,49,962	4.32%
2.	Mr. Shreyash Dileep Jain	NIL	NIL

h. Presently, we do not have ESOP/ESPS scheme for our employees.

#### ***Bonus or Profit-Sharing Plan for our Key Managerial Personnel***

We have no bonus or profit-sharing plan for our Key Managerial Personnel.

#### ***Payment of Benefits to Officers of our Company (non-salary related)***

Except the statutory payments made by our Company, Since Incorporation, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

#### **Notes:**

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.
- None of our Key Managerial Personnel and Senior Management has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel and Senior Management has entered into any service contracts with our no benefits are granted upon their termination from employment other than statutory benefits provided by our company and further, our Company has appointed certain Key Managerial Personnel and Senior Management i.e. Chief Financial Officer and Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

#### ***Changes in the Key Managerial Personnel and Senior Managerial Personnel in last three years:***

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:

Sr. no.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer
1.	Mr. Yogendra Vashishta	Chief Strategy Officer	Appointed as Chief Strategy Officer w.e.f 01.04.2025

2.	Mr. Shreyash Dileep Jain	Chief Human Resources Officer	Appointed as Chief Human Resources Officer r w.e.f 05.04.2025
3.	Mrs. Nikita Dinesh Chandak	Company Secretary & Compliance officer	Appointed as Company Secretary & Compliance officer w.e.f 05.04.2025
4.	Mr. Amit Rajendraprasad Dalmia	Managing Director	Appointed as Managing Director w.e.f 07.05.2025
5.	Mrs. Susmita Amit Dalmia	Whole Time Director	Appointed as Whole-Time Director w.e.f 07.05.2025
6.	Mr. Ruman Kailash Agarwal	Whole Time Director	Appointed as Whole-Time Director w.e.f 07.05.2025
7.	Mr. Tarak Amrutlal Nagda	Chief Financial Officer	Appointed as Chief Financial Officer w.e.f 07.05.2025

### **INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY**

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key managerial personal are interested in our Company.

Further, our Key Managerial Personnel (KMP) are interested in the Company in the following manner:

Except as provided in this Draft Red Herring Prospectus, we have not entered into any contract, agreement or arrangement since incorporation years from the date of this Draft Red Herring Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to “***Restated Financial Statement***” on page 205 of this Draft Red Herring Prospectus.

### **OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL**

Except as stated in this Draft Red Herring Prospectus, there are no other benefits payable to our Key Managerial Personnel.

### **EMPLOYEES**

The details about our employees appear under the Paragraph titled —Human Resource in Chapter Titled — ***Business Overview*** beginning on page 128 of this Draft Red Herring Prospectus.

## OUR PROMOTER AND PROMOTER GROUP

### OUR PROMOTERS


The Promoters of our Company are Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta. Our Promoter and Promoter Group Collectively holds 80.19% shares in the Company



S. No.	Name	Category	No. of Shares
1.	Mr. Amit Rajendraprasad Dalmia	Individual Promoter	72,59,281
2.	Mrs. Susmita Amit Dalmia	Individual Promoter	2,00,598
3.	Mr. Ruman Kailash Agarwal	Individual Promoter	4,49,935
4.	Mr. Yogendra Vashishta	Individual Promoter	4,49,962
	Total		83,59,776

For details of the build-up of our promoters' shareholding in our Company, see section titled "**Capital Structure**" beginning on page 68 of this draft red herring prospectus,


### Brief Profile of Our Promoters

Brief Profile of our Promoters are provided Below:

	<b>MR. AMIT RAJENDRAPRASAD DALMIA CHAIRMAN CUM MANAGING DIRECTOR</b>
	Mr. Amit Rajendraprasad Dalmia has over 27 years of experience in technology, digital commerce, and brand development. A graduate of the Wharton School, he has been associated with various ventures including IntelliNet Software, Creative Global Services, Viaton (green energy), OliveTheory (home decor e-commerce), and Accio.ai (visual-AI advertising). He began his entrepreneurial career in 1999 and has worked on integrating emerging technologies with business models. He is currently serving as the Chairman and Managing Director of Encompass Design India Limited for a term of five years, not liable to retire by rotation. He is responsible for innovation, product development, and partnerships across the company's digital consumer brand.
<b>Name</b>	Mr. Amit Rajendraprasad Dalmia
<b>Date of Birth</b>	21/08/1977
<b>Age</b>	47 Years
<b>Personal Address</b>	57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai, Maharashtra - 400049
<b>Qualification</b>	Bachelor of Business Administration (B.B.A) from The Wharton School of the University of Pennsylvania
<b>Occupation</b>	Businessman
<b>Experience</b>	27 Years
<b>Passport Number</b>	Z4957911
<b>Driving License Number</b>	MH-0220080216355
<b>No. of Equity shares held &amp; % of holding</b>	72,59,281 Shares and 69.63% Shareholding
<b>DIN</b>	00210919
<b>Directorship &amp; Other Ventures</b>	1. OTH Online Private Limited 2. Brand Spring Ventures LLP
	<b>MRS. SUSMITA AMIT DALMIA, WHOLE-TIME DIRECTOR</b>

	<p>Mrs. Susmita Amit Dalmia holds a Master’s degree in Business Information Technology from Middlesex University, UK, and has over 20 years of experience in technology, design, and commerce. She began her career at Creative Global Services, where she was involved in programming and web development, managing teams across sectors such as publishing, logistics, and e-commerce. She subsequently worked on UI/UX at OTH Online and oversaw operations at Home Craft. She is currently associated with Encompass Design India Limited since 2013 and as a Whole-Time Director since 2025 for a period of five years and is liable to retire by rotation. Her responsibilities include product development and design, with a focus on merchandising.</p>
<b>Name</b>	Mrs. Susmita Amit Dalmia
<b>Date of Birth</b>	14/10/1978
<b>Age</b>	46 Years
<b>Personal Address</b>	57 White House, 7th N.S. Road, Near Jamnabai Narsee School JVPD Scheme, Juhu Mumbai, Maharashtra – 400049
<b>Qualification</b>	Masters Degree in Business information technology from Middlesex University.
<b>Occupation</b>	Business
<b>Experience</b>	21 Years
<b>Passport Number</b>	Z7137984
<b>Driving License Number</b>	MH02 20120005501
<b>No. of Equity shares held &amp; % of holding</b>	2,00,598 Shares and 1.92% Shareholding
<b>DIN</b>	02401290
<b>Directorship &amp; Other Ventures</b>	1. OTH Online Private Limited
	<p><b>MR. RUMAN KAILASH AGARWAL, WHOLE-TIME DIRECTOR</b></p> <p>Mr. Ruman Kailash Agarwal has over 19 years of experience in product strategy, digital marketing, technology, e-commerce, and operations. He began his career at Creative Global Services, where he held various roles including Senior Vice President, overseeing project management, client servicing, and digital strategy across multiple sectors. He has also worked on web development and performance marketing for e-commerce ventures such as BrandsnDeals, BedBathMore, and OliveTheory at Encompass Design India and Home Craft. He is currently associated with Encompass Design India Limited, where he is responsible for operations and growth through digital marketing initiatives.</p>
<b>Name</b>	Mr. Ruman Kailash Agarwal
<b>Date of Birth</b>	04/10/1983
<b>Age</b>	41 Years
<b>Personal Address</b>	02, Lok Sagar, Plot 32/33, Sector 14, Navi Mumbai, Vashi, Thane, Maharashtra 400703
<b>Qualification</b>	Bachelor of Science in Business Administration from State University of New York
<b>Occupation</b>	Business
<b>Experience</b>	19 Years
<b>Passport Number</b>	Z3893917
<b>Driving License Number</b>	MH-0420010043488

<b>No. of Equity shares held &amp; % of holding</b>	4,49,935 Shares and 4.32% Shareholding
<b>DIN</b>	11004779
<b>Directorship &amp; Other Ventures</b>	NIL

	<b>MR. YOGENDRA VASHISHTA, CHIEF STRATEGY OFFICER</b> Mr. Yogendra Vashishta has nearly 38 years of experience in business strategy, branding, marketing, and communications. He is a graduate of Delhi University and holds an MBA from IMSAR. He has held senior roles at organizations such as Reliance, DDB Mudra, and VIP Industries, where he worked on brand development and marketing initiatives. Since August 2022, he has been associated with the Company as Co-Founder and Chief Strategy Officer, responsible for brand strategy and creative direction for the Company's digital consumer brands
<b>Name</b>	Mr. Yogendra Vashishta
<b>Date of Birth</b>	17/12/1961
<b>Age</b>	63 Years
<b>Personal Address</b>	401, Silicon Valley Plot, No 54 JK Mehta Road Off Green Street, Near Poddar School, Santacruz, West Mumbai- 400054
<b>Qualification</b>	MBA from Maharshi Dayanand University
<b>Occupation</b>	Business
<b>Experience</b>	38 Years
<b>Passport Number</b>	Z2127263
<b>Driving License Number</b>	MH-0119970017143
<b>No. of Equity shares held &amp; % of holding</b>	4,49,962 Shares and 4.32% Shareholding
<b>DIN</b>	05189879
<b>Directorship &amp; Other Ventures</b>	1. Minority X Private Limited 2. Minority Branding Solutions Private Limited 3. Billbox Purewrist Tech Solutions Private Limited 4. Paradox Communications Private Limited 5. Minority Brand Creation and Management LLP 6. Brand Spring Ventures LLP

#### Relationship of Promoters with our Directors

Our Promoters are part of our board of directors as Managing Directors and/or Director. Except as disclosed herein, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoters	Director	Relationship
Amit Rajendraprasad Dalmia	Susmita Amit Dalmia	Spouse
Susmita Amit Dalmia	Amit Rajendraprasad Dalmia	Spouse

#### Declaration

We confirm that the Permanent Account Number, Bank Account Number, Aadhar Card Number, Passport Number and Driving License of the Promoters which are available have been submitted to NSE Limited at the time of filing of Draft Red Herring Prospectus with them.

Present Promoters of Our Company are Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta.

*Initial subscribers to the MoA of our Company were Mr. Amit Rajendraprasad Dalmia and Mr. Rahul Narendra Mehta. For details of the shareholding acquired by the current promoter of our Company refer the capital buildup of our Promoter under chapter “Capital Structure” beginning on page 68 of this Draft Red Herring Prospectus*

### **Undertaking/ Confirmations**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.

Except as disclosed in chapter titled “**Outstanding Litigations and Material Developments**” beginning on Page 251 of this Draft Red Herring Prospectus, there are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “**Outstanding Litigations and Material Developments**” beginning on page 251 of this Draft Red Herring Prospectus.

None of our Promoters, person in control of our Company is or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the promoter group members nor our Group Company have been declared as a willful defaulter or a fraudulent borrower by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

### **Common Pursuits/ Conflict of Interest**

None of the promoter group entities and group companies are engaged in similar line of business.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

### **Interest in promotion of Our Company**

The Promoters are interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in “**Financial information of our company**” and “**Our Management – Interest of Directors**” and “**Our Management – Interest of Key Managerial Personnel**” on pages 204 & 180 of this Draft Red Herring Prospectus, respectively.

### **Interest in the property of Our Company**

Except as mentioned in this Draft Red Herring Prospectus, our Promoters do not have any other interest in any property acquired by our Company in a period of three years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us till date of filing the Red Herring Prospectus with RoC.

### **Other Interest of Promoters**

Our Promoters Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoters Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta who are also the Chairman & Managing Director, Whole-time Director, Whole Time Director and Chief strategy officer respectively of our Company may be deemed to be interested to the extent of their remuneration/sitting fees as per the terms of their appointment and reimbursement of expenses payable to them. Our Promoters may also be deemed interested to the extent of any unsecured loan

given/taken by them to/from our Company.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements since incorporation to the date of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoter are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

### **Experience of Promoters in the line of business**

Our Promoters Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta have experience of 27, 20, 19 and 38 years respectively. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

### **Related Party Transactions**

For the transactions with our Promoter Group entities please refer to section titled ***“Note No.-27 Restated Statement of Related Party Transactions”*** under chapter titled ***“Restated Financial Statements”*** on page 149 of this Draft Red Herring Prospectus.

Except as stated in ***“Note No.- 27 Restated Statement of Related Party Transactions”*** beginning under chapter titled ***“Restated Financial Statements”*** on page 205 of this Draft Red Herring Prospectus., and as stated therein, our Promoters or any of the Promoter Group do not have any other interest in our business.

### **Payment or Benefit to Promoters of Our Company**

For details of payments or benefits paid to our Promoters, please refer to the chapter titled ***“Our Management”*** beginning on page 180 of this Draft Red Herring Prospectus. Also refer ***“Note No.-27 Restated Statement of Related Party Transactions”*** under chapter titled ***“Restated Financial Statements”*** on page 205 of this Draft Red Herring Prospectus.

### **Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years**

Our Promoters have not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

### **Other ventures of our Promoters**

Save and except as disclosed in this section titled ***“Our Promoters and Promoter Group”*** and ***“Information with respect of Group Companies”*** beginning on page 196 & 269 respectively of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Draft Red Herring Prospectus.

### **Litigation details pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled ***“Outstanding Litigations and Material Developments”*** beginning on page 251 of this Draft Red Herring Prospectus.

### **Information of our group companies**

For details related to our group companies please refer ***“Our Group Entities”*** on page no. 269 of this DRHP.

## **OUR PROMOTER GROUP**

### **A. Natural Persons who are a part of the promoter group**

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

Promoters	Amit Rajendraprasad Dalmia	Susmita Amit Dalmia	Ruman Kailash Agarwal	Yogendra Vashishta
<b>Father</b>	Rajendra Prasad Dalmia	Omprakash Goenka	Kailash Bhagatram Agarwal	Late Bhagwan Das Sharma
<b>Mother</b>	Kusum Rajendra Dalmia	Late. Geeta Devi Goenka	Mita Kailash Agarwal	Late Omvati Sharma



<b>Spouse</b>	Susmita Amit Dalmia	Amit Rajendraprasad Dalmia	Anupama R Agarwal	Shobha Subramanian
<b>Brothers</b>	-	-	-	1. Rajendra Prasad 2. Virendra Kumar Vashishth 3. Devender Kumar Vashishth 4. Narendra Vashishth
<b>Sisters</b>	Nidhi Goyal	-	-	Pratima Sharma
<b>Sons</b>	-	-	Kabir Agarwal	-
<b>Daughters</b>	1. Shivika Dalmia 2. Ananya Dalmia	1. Shivika Dalmia 2. Ananya Dalmia	Ruhi Agarwal	-
<b>Spouse Father</b>	Omprakash Goenka	Rajendra Prasad Dalmia	Raakesh Bishan Bansal	Late Pallavur Ramiyer Subramanian
<b>Spouse Mothe</b>	Late. Geeta Devi Goenka	Kusum Rajendra Dalmia	Anuradha Raakesh Bansal	Late Narayani Pallavur Subramanian
<b>Spouse Brother</b>	-	-	-	-
<b>Spouse Sisters</b>	-	Nidhi Goyal	Anumeha Bansal	1. Vasanta Subramanian 2. Subramanian Brintha Lakshmi 3. Mangala Subramanian

**B. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:**

Particulars	Amit Rajendraprasad Dalmia	Susmita Amit Dalmia	Ruman Kailash Agarwal	Yogendra Vashishta
Anybody corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member.	1. OTH Online Private Limited 2. Home Craft Online Private Limited 3. Brand Spring Ventures LLP	1. OTH Online Private Limited 2. Home Craft Online Private Limited 3. Brand Spring Ventures LLP	Anuspa Heritage Products Private Limited	1. Minority Branding Solutions Private Limited 2. Minority X Private Ltd. 3. Minority Brand Creation and Management LLP 4. Billbox Purewrist Tech Solutions Private Limited 5. Paradox Communications Private limited 6. Marketvistas Consumer Insights Private Limited 7. Brand Spring Ventures LLP
Any company in which a company (mentioned above) holds 20% of the total holding	-	-	-	-

Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding	1. Rajendra Prasad Dalmia HUF 2. Gajanan Tubes 3. ARMD Group 4. Shree Gajanan Enterprises	1. Rajendra Prasad Dalmia HUF 2. Gajanan Tubes 3. ARMD Group 4. Shree Gajanan Enterprises	1. R Bansal HUF 2. Neema Soaps	-
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## OTHER CONFIRMATIONS

None of our Promoters and members of the Promoter Group have been declared as wilful defaulters or as a fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Promoters or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the company) and the company, Promoter, Promoter Group, Key Managerial Personnel, Directors and subsidiaries / Group Company and its directors

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoters.

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## **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The dividend pay - out shall be determined by our Board after taking into account a number of factors, including but not limited to : (i) internal factors such as profits earned during the year, present and future capital requirements of the existing businesses, business acquisitions, expansion/ modernization of existing businesses, availability of external finance and relative cost of external funds, additional investments in subsidiaries/associates/joint ventures of our Company and restrictions on loan agreement(s); and (ii) external factors such as economic and industry outlook, growth outlook, statutory/regulatory restrictions and covenants with lenders/bond holders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

Our Company has not paid / declared any dividend in last three years from date of this Draft Red Herring Prospectus.

**SECTION IX - FINANCIAL INFORMATION OF OUR COMPANY**

<b>S.No.</b>	<b>Particulars</b>	<b>Page No.</b>
1.	Restated Financial Information	205

## **RESTATED FINANCIAL STATEMENTS**

### **INDEPENDENT AUDITOR'S REPORT ON THE RESTATED FINANCIAL STATEMENTS OF ENCOMPASS DESIGN INDIA LIMITED**

**To,**  
**The Board of Directors, Encompass**  
**Design India Limited,**  
*(Formerly Encompass Design India Private Limited),*

A- 1, Virwani Industrial Estate,  
Mumbai, 400063.

1. We have examined the attached restated financial information of Encompass Design India Limited (Formerly Encompass Design India Private Limited) (hereinafter referred to as "the Company") comprising the restated statement of assets and liabilities as at March 31, 2025, 2024 and 2023, restated statement of profit and loss and restated cash flow statement for the financial Period ended on ended March 31, 2025, 2024 and 2023 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the "restated financial information or "Restated Financial Statements") annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on EMERGE Platform ("IPO" or EMERGE IPO") of National Stock Exchange of India Limited ("NSE") of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
  - a. Section 26 of Part I of Chapter III of Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014.
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI").
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Red Hearing Prospectus/ Red Hearing Prospectus /Prospectus ("Offer Document") to be filed with Securities and Exchange Board of India ("SEBI"), NSE and Registrar of Companies (Mumbai) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Note 1 to the Restated Financial Statements. responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Statements taking into consideration:
  - a. The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed NSE - EMERGE IPO Platform,
  - b. The Guidance Note also requires that we comply with the ethical requirements Ethics issued by the ICAI.
  - c. Concepts of test checks and materiality to obtain reasonable assurance-based evidence supporting the Restated Financial Statements.
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the period ended on year ended March 31, 2025, 2024 and 2023. Which have been Approved by Board of Director at their meeting held on 07 May 2025, 02 Sep 2024 And 01 Sep 2023 respectively
6. We have audited the special purpose Restated financial information of the company for the period ended March 31, 2025 prepared by the Company in accordance with the IGAAP for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated June 09, 2025, on this special purpose financial information to the Board of Directors who have approved these in their meeting held on June 09, 2025,
7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
  - a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the period ended on March 31, 2025, 2024 and 2023.
  - b) Do not require any adjustment for modification as there is no modification in the underlying audit reports.
  - c) Have no extraordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d) Have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
8. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the period ended as at March 31, 2025, March 31, 2024, and 2023 proposed to be included in the Offer Document.

**Annexure to Restated Financial Statements of the Company: -**

Particulars	Note No.
Significant Accounting Policy and notes to the Restated Financial Statements	1
Restated Statement of Share Capital, Reserve and Surplus	2 & 3
Restated Statement of Long-term borrowings	4
Restated Statement of Long-term provisions	5
Restated Statement of Deferred Tax Liabilities/ Assets (net)	6
Restated Statement of Trade Payables	7
Restated Statement of Other Current Liabilities	8
Restated Statement of Short-term borrowings	9
Restated Statement of Short-Term Provisions	10
Restated Statement of Property, Plant & Equipment, Intangible Assets and Capital Work-In-Progress	11A & 11B
Restated Statement of Investment	12
Restated Statement of Long-Term Loans and Advances	13
Restated Statement of Trade Receivables	14
Restated Statement of Inventories	15
Restated Statement of Cash and Cash Equivalents	16
Restated Statement of Other Current Asset	17
Restated Statement of Revenue from Operations	18
Restated Statement of Other Income	19
Restated Statement of Cost of Material Consumed	20

Restated Statement of Changes in Inventories of Stock-In-Trade and Finished Goods	21
Restated Statement of Employee Benefit Expenses	22
Restated Statement of Finance Costs	23
Restated Statement of Depreciation and Amortization Expense	11
Restated Statement of Other Expenses	24
Restated Statement of dues of Small Enterprises and Micro Enterprises	25
Restated Statement of Expenditure in Foreign Currency during the financial year	26
Restated Statement of Related Party Transactions	27
Restated Statement of Earnings Per share	28
Restated Statement of corporate social responsibility (Sec 135 of Companies Act'2013)	40
Restated Statement of Other Financial Notes	29 to 39, 41to 44

## 9. Opinion

In accordance with the requirements of the Act including the rules made there under ICDR Regulations, Guidance Note and engagement letter, we report that:

The restated statement of assets and liabilities as at March 31, 2025, 2024, and 2023, the restated statement of profit and loss for the periods then ended, and the restated statement of cash flows for the same periods, read with the significant accounting policies in Note 1, have been examined by us. These restated statements have been made after making such adjustments and regroupings to the audited financial statements of the Company as, in our opinion, were appropriate and as more fully described in the notes to the restated summary statements.

10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by the firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

## 12. Restriction On Use.

Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, NSE and Registrar of Companies (Mumbai) in connection with the proposed EMERGE IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For V. K. BESWAL & ASSOCIATES,**

Chartered Accountants Firm Reg

No. 101083

**CA Kunal V Beswal.**

Partner






Membership No. 131054

UDIN:25131054BMHXPY7344

Certificate No: 2125

Place: Mumbai Date: 09.06.2025.



<b>ENCOMPASS DESIGN INDIA LIMITED</b> (Formerly Encompass Design India Private. Limited) CIN: U74210MH2010PLC200672 <i>Restated Statement of Assets &amp; Liabilities</i>				
"Amount in INR in Lacs"				
Particulars	Note No	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) Shareholder's Funds</b>				
(a) Equity Share Capital	2	38.97	30.93	30.93
(b) Reserves and Surplus	3	3,218.68	1,006.55	318.65
<b>(2) Non-Current Liabilities</b>				
(a) Long-term Borrowings	4	308.69	593.26	716.90
(b) Long-term Provisions	5	21.23	12.90	10.05
(c) Deferred tax liabilities (Net)	6	104.45	89.16	
<b>(3) Current Liabilities</b>				
(a) Trade payables				
1. Total outstanding dues of micro enterprises and small enterprises	7	14.61	66.63	40.64
2. Total outstanding dues of Creditors other than micro enterprises and small enterprises	7	76.12	74.42	638.78
(b) Other current liabilities	8	163.20	179.01	603.98
(c) Short-term borrowings	9	1,117.25	212.14	30.16
(d) Short-term provisions	10	281.34	54.10	2.10
<b>Total</b>		<b>5,344.55</b>	<b>2,319.10</b>	<b>2,392.20</b>
<b>II. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant & Equipment	11A	152.52	147.84	56.70
(b) Intangible Assets	11B	1,700.80	942.72	571.38
(c) Investment	12	0.10	-	-
(c) Deferred tax Assets (Net)	6			89.31
(d) Long term loans and advances	13	37.15	36.46	15.08
<b>(2) Current assets</b>				
(a) Trade Receivables	14	894.25	476.94	235.48
(b) Inventories	15	1,086.87	509.38	1,286.13
(c) Cash and cash equivalents	16	1,251.07	30.51	6.88
(d) Other current assets	17	221.78	175.25	131.23
<b>Total</b>		<b>5,344.55</b>	<b>2,319.10</b>	<b>2,392.20</b>
"Notes (including Significant Accounting Policies) form an integral part of these Restated Financial Statements"				
	1			
<b>As per Our Attached Report of Even Date</b> <b>For V K BESWAL &amp; ASSOCIATES</b> <i>Chartered Accountants</i> FRN No.:- 101083W KUNAL VINOD BESWAL  <b>CA Kunal V. Beswal</b> <b>Partner</b> Membership No. 131054 Place :- Mumbai Date :- 09/06/2025		<b>For and on behalf of Board of Directors of</b> <b>ENCOMPASS DESIGN INDIA LIMITED</b> (Formerly Encompass Design India Private. Limited) <div> <div> <b>AMIT DALMIA</b>    <b>Amit Dalmia</b>  <b>Director</b>            DIN: 00210919         </div> <div> <b>SUSMITA DALMIA</b>    <b>Susmita Dalmia</b>  <b>Director</b>            DIN : 02401290         </div> </div> <div> <div> <b>NIKITA DINESH CHANDAK</b>    <b>Nikita Chandak</b>  <b>Company Secretary</b>            ACS No. 55327         </div> <div> <b>TARAK AMRUTLAL NAGDA</b>    <b>Tarak Nagda</b>  <b>CFO</b> </div> </div>		

<b>ENCOMPASS DESIGN INDIA LIMITED</b> (Formerly Encompass Design India Private. Limited) CIN: U74210MH2010PLC200672 <b>Restated Statement of Profit &amp; Loss</b>				
"Amount in INR in Lacs "				
Particulars	Note No	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31st March 2023
I. Revenue from operations	18	5,464.94	4,004.18	2,162.47
II. Other Income	19	36.25	10.56	6.61
<b>III Total Income</b>		<b>5,501.19</b>	<b>4,014.74</b>	<b>2,169.09</b>
<b>IV. Expenses:</b>				
Cost of materials consumed	20	2,569.76	1,052.76	1,875.89
Changes in inventories of finished goods and Stock-in-Trade	21	83.19	813.07	(609.66)
Employee benefit expense	22	466.83	401.75	392.45
Finance cost	23	31.63	31.30	6.50
Depreciation and amortization expense	11	227.73	172.69	153.84
Other expenses	24	658.74	615.24	447.73
<b>V Total Expenses</b>		<b>4,037.86</b>	<b>3,086.81</b>	<b>2,266.74</b>
<b>VI. Profit before exceptional and extraordinary items and tax</b>	(III - IV)	<b>1,463.32</b>	<b>927.94</b>	<b>(97.66)</b>
<b>VI. Exceptional items</b>		-		
<b>VII. Profit before extraordinary items and tax</b>	(V - VI)	<b>1,463.32</b>	<b>927.94</b>	<b>(97.66)</b>
<b>VIII. Extraordinary Items</b>				-
<b>IX. Profit before tax</b>	(VII-VIII)	<b>1,463.32</b>	<b>927.94</b>	<b>(97.66)</b>
<b>X. Tax expense:</b>				
(1) Current tax		368.65	61.57	-
(2) Income Tax Adjustment of Earlier years		15.29	178.47	31.81
(3) Deferred tax				
<b>XI. Profit for the period / year</b>	(IX-X)	<b>1,079.38</b>	<b>687.90</b>	<b>(129.46)</b>
<b>XII. Earning per equity share of face value of INR 10 each</b>				
Basic EPS (In Rs.) and for all periods have been recasted*	28	10.39	6.68	(1.26)
Diluted EPS (In Rs.) and for all periods have been recasted*	28	10.39	6.67	(1.26)
*not annualised				
"Notes ( including Significant Accounting Policies ) form an integral part of these Restated Financial Statements"	1			
<div> <div> <p>As per Our Attached Report of Even Date</p> <p><b>For V K BESWAL &amp; ASSOCIATES</b></p> <p>Chartered Accountants</p> <p>FRN No.:- 101083W</p> <p><b>KUNAL VINOD BESWAL</b></p> <p>CA Kunal V. Beswal</p> <p>Partner</p> <p>Membership No. 131054</p> <p>Place :- Mumbai</p> <p>Date :- 09/06/2025</p> </div> <div> <p>For and on behalf of Board of Directors of</p> <p><b>ENCOMPASS DESIGN INDIA LIMITED</b></p> <div> <div> <p><b>AMIT DALMIA</b></p> <p>Amit Dalmia</p> <p>Director</p> <p>DIN No. 06597817</p> </div> <div> <p><b>SUSMITA DALMIA</b></p> <p>Susmita Dalmia</p> <p>Director</p> <p>DIN No. 00635105</p> </div> </div> <div> <div> <p><b>NIKITA DINESH CHANDAK</b></p> <p>Digitally signed by NIKITA DINESH CHANDAK</p> <p>Date: 2025.06.09 18:17:57 +05'30'</p> <p>Nikita Chandak</p> <p>Company Secretary</p> <p>ACS No. 55327</p> </div> <div> <p><b>TARAK AMRUTLAL NAGDA</b></p> <p>Digitally signed by TARAK AMRUTLAL NAGDA</p> <p>Date: 2025.06.09 17:31:44 +05'30'</p> <p>Tarak Nagda</p> <p>CFO</p> </div> </div> </div> </div>				

**ENCOMPASS DESIGN INDIA LIMITED**  
(Formerly Encompass Design India Private. Limited)  
CIN: U74210MH2010PLC200672  
**Restated Cash Flow Statement**

"Amount in INR in Lacs "			
Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Profit before tax and before extraordinary items	1,463.32	927.94	(97.66)
<b>Adjustments for :-</b>			
Depreciation	227.73	172.69	153.84
Interest Expenses	31.63	31.30	6.50
<b>Operating profit before working capital changes</b>	<b>1,722.67</b>	<b>1,131.93</b>	<b>62.68</b>
<b>Adjustments for :-</b>			
Inventories	(577.50)	776.75	(449.61)
Trade and other receivables	(417.31)	(241.45)	30.45
Other Current assets	(46.53)	(44.02)	(5.05)
Short term Provision	1.15	2.02	-
Other Current Liabilities	(15.81)	(374.99)	470.25
Trade Payables & Other Liabilities	(50.31)	(538.38)	203.36
<b>Net (Increase) in Working Capital</b>	<b>(1,106.32)</b>	<b>(420.08)</b>	<b>249.40</b>
<b>Cash generated from / (used in) Operating Activities</b>	<b>616.36</b>	<b>711.85</b>	<b>312.08</b>
Income tax Paid	(142.55)	(61.56)	-
<b>Net Cash generated from / (utilized in) operating activities</b>	<b>473.80</b>	<b>650.29</b>	<b>312.08</b>
<b>B Cash Flow from Investing Activities:</b>			
Purchase of fixed assets & Capital Advances	(990.48)	(635.17)	(58.94)
Long-term loans and advances	(0.70)	(21.37)	(12.95)
Changes in Investment	(0.00)	-	-
<b>Net Cash used in investment activities</b>	<b>(991.18)</b>	<b>(656.55)</b>	<b>(71.89)</b>
<b>C Cash Flow from Financing Activities:</b>			
Proceeds from Issue of Share capital	1,140.79	-	-
(Repayments) of / Proceeds from Short Term borrowings	905.11	181.98	28.10
(Repayments) of / Proceeds from Long Term borrowings	(284.57)	(123.64)	(308.10)
Long term Provision	8.33	2.85	2.71
Interest Expense	(31.63)	(31.30)	(6.50)
<b>Net Cash (utilized in)/generated from financing activities</b>	<b>1,738.03</b>	<b>29.89</b>	<b>(283.79)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>1,220.65</b>	<b>23.64</b>	<b>(43.60)</b>
<b>Cash and Cash Equivalents</b>			
Opening Balance Cash & Cash Equivalents	30.51	6.88	50.48
<b>Closing Balance Cash &amp; Cash Equivalents</b>	<b>1,251.16</b>	<b>30.51</b>	<b>6.88</b>

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" on "Statement on Cash Flow"
- 2 Cash and Cash Equivalent at the end of the year / period consist of cash in hand and balances with banks."

As per Our Attached Report of Even Date  
**For V K BESWAL & ASSOCIATES**  
Chartered Accountants  
FRN No.:- 101083W

**KUNAL VINOD BESWAL**  
Chartered Accountant (Firm No. 101083W)  
Firm Name: V K BESWAL & ASSOCIATES  
Firm Address: 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 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898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000, 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, 1009, 1010, 1011, 1012, 1013, 1014, 1015, 1016, 1017, 1018, 1019, 1020, 1021, 1022, 1023, 1024, 1025, 1026, 1027, 1028, 1029, 1030, 1031, 1032, 1033, 1034, 1035, 1036, 1037, 1038, 1039, 1040, 1041, 1042, 1043, 1044, 1045, 1046, 1047, 1048, 1049, 1050, 1051, 1052, 1053, 1054, 1055, 1056, 1057, 1058, 1059, 1060, 1061, 1062, 1063, 1064, 1065, 1066, 1067, 1068, 1069, 1070, 1071, 1072, 1073, 1074, 1075, 1076, 1077, 1078, 1079, 1080, 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1247, 1248, 1249, 1250, 1251, 1252, 1253, 1254, 1255, 1256, 1257, 1258, 1259, 1260, 1261, 1262, 1263, 1264, 1265, 1266, 1267, 1268, 1269, 1270, 1271, 1272, 1273, 1274, 1275, 1276, 1277, 1278, 1279, 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291, 1292, 1293, 1294, 1295, 1296, 1297, 1298, 1299, 1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 1325, 1326, 1327, 1328, 1329, 1330, 1331, 1332, 1333, 1334, 1335, 1336, 1337, 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, 1347, 1348, 1349, 1350, 1351, 1352, 1353, 1354, 1355, 1356, 1357, 1358, 1359, 1360, 1361, 1362, 1363, 1364, 1365, 1366, 1367, 1368, 1369, 1370, 1371, 1372, 1373, 1374, 1375, 1376, 1377, 1378, 1379, 1380, 1381, 1382, 1383, 1384, 1385, 1386, 1387, 1388, 1389, 1390, 1391, 1392, 1393, 1394, 1395, 1396, 1397, 1398, 1399, 1400, 1401, 1402, 1403, 1404, 1405, 1406, 1407, 1408, 1409, 1410, 1411, 1412, 1413, 1414, 1415, 1416, 1417, 1418, 1419, 1420, 1421, 1422, 1423, 1424, 1425, 1426, 1427, 1428, 1429, 1430, 1431, 1432, 1433, 1434, 1435, 1436, 1437, 1438, 1439, 1440, 1441, 1442, 1443, 1444, 1445, 1446, 1447, 1448, 1449, 1450, 1451, 1452, 1453, 1454, 1455, 1456, 1457, 1458, 1459, 1460, 1461, 1462, 1463, 1464, 1465, 1466, 1467, 1468, 1469, 1470, 1471, 1472, 1473, 1474, 1475, 1476, 1477, 1478, 1479, 1480, 1481, 1482, 1483, 1484, 1485, 1486, 1487, 1488, 1489, 1490, 1491, 1492, 1493, 1494, 1495, 1496, 1497, 1498, 1499, 1500, 1501, 1502, 1503, 1504, 1505, 1506, 1507, 1508, 1509, 1510, 1511, 1512, 1513, 1514, 1515, 1516, 1517, 1518, 1519, 1520, 1521, 1522, 1523, 1524, 1525, 1526, 1527, 1528, 1529, 1530, 1531, 1532, 1533, 1534, 1535, 1536, 1537, 1538, 1539, 1540, 1541, 1542, 1543, 1544, 1545, 1546, 1547, 1548, 1549, 1550, 1551, 1552, 1553, 1554, 1555, 1556, 1557, 1558, 1559, 1560, 1561, 1562, 1563, 1564, 1565, 1566, 1567, 1568, 1569, 1570, 1571, 1572, 1573, 1574, 1575, 1576, 1577, 1578, 1579, 1580, 1581, 1582, 1583, 1584, 1585, 1586, 1587, 1588, 1589, 1590, 1591, 1592, 1593, 1594, 1595, 1596, 1597, 1598, 1599, 1600, 1601, 1602, 1603, 1604, 1605, 1606, 1607, 1608, 1609, 1610, 1611, 1612, 1613, 1614, 1615, 1616, 1617, 1618, 1619, 1620, 1621, 1622, 1623, 1624, 1625, 1626, 1627, 1628, 1629, 1630, 1631, 1632, 1633, 1634, 1635, 1636, 1637, 1638, 1639, 1640, 1641, 1642, 1643, 1644, 1645, 1646, 1647, 1648, 1649, 1650, 1651, 1652, 1653, 1654, 1655, 1656, 1657, 1658, 1659, 1660, 1661, 1662, 1663, 1664, 1665, 1666, 1667, 1668, 1669, 1670, 1671, 1672, 1673, 1674, 1675, 1676, 1677, 1678, 1679, 1680, 1681, 1682, 1683, 1684, 1685, 1686, 1687, 1688, 1689, 1690, 1691, 1692, 1693, 1694, 1695, 1696, 1697, 1698, 1699, 1700, 1701, 1702, 1703, 1704, 1705, 1706, 1707, 1708, 1709, 1710, 1711, 1712, 1713, 1714, 1715, 1716, 1717, 1718, 1719, 1720, 1721, 1722, 1723, 1724, 1725, 1726, 1727, 1728, 1729, 1730, 1731, 1732, 1733, 1734, 1735, 1736, 1737, 1738, 1739, 1740, 1741, 1742, 1743, 1744, 1745, 1746, 1747, 1748, 1749, 1750, 1751, 1752, 1753, 1754, 1755, 1756, 1757, 1758, 1759, 1760, 1761, 1762, 1763, 1764, 1765, 1766, 1767, 1768, 1769, 1770, 1771, 1772, 1773, 1774, 1775, 1776, 1777, 1778, 1779, 1780, 1781, 1782, 1783, 1784, 1785, 1786, 1787, 1788, 1789, 1790, 1791, 1792, 1793, 1794, 1795, 1796, 1797, 1798, 1799, 1800, 1801, 1802, 1803, 1804, 1805, 1806, 1807, 1808, 1809, 1810, 1811, 1812, 1813, 1814, 1815, 1816, 1817, 1818, 1819, 1820, 1821, 1822, 1823, 1824, 1825, 1826, 1827, 1828, 1829, 1830, 1831, 1832, 1833, 1834, 1835, 1836, 1837, 1838, 1839, 1840, 1841, 1842, 1843, 1844, 1845, 1846, 1847, 1848, 1849, 1850, 1851, 1852, 1853, 1854, 1855, 1856, 1857, 1858, 1859, 1860, 1861, 1862, 1863, 1864, 1865, 1866, 1867, 1868, 1869, 1870, 1871, 1872, 1873, 1874, 1875, 1876, 1877, 1878, 1879, 1880, 1881, 1882, 1883, 1884, 1885, 1886, 1887, 1888, 1889, 1890, 1891, 1892, 1893, 1894, 1895, 1896, 1897, 1898, 1899, 1900, 1901, 1902, 1903, 1904, 1905, 1906, 1907, 1908, 1909, 1910, 1911, 1912, 1913, 1914, 1915, 1916, 1917, 1918, 1919, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1927, 1928, 1929, 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 19

**ENCOMPASS DESIGN INDIA LIMITED**

(Formerly Encompass Design India Private Limited)

CIN: U74210MH2010PLC200672

**Note 1. SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO FORMING PART OF RESTATED****COMPANY OVERVIEW**

**ENCOMPASS DESIGN INDIA LIMITED** (the Company) (formerly known as Encompass Design India Private Limited) was incorporated on 09th March 2010 under the companies Act, 2013 bearing registration no. 200672 and having its registered office at Shop No. 101, Virwani Industrial The company is Indl Estate, Opp. Western Exp Highway, Goregaon East, Mumbai, Maharashtra India- 400063 engaged in the business of manufacturing and exporting of Textiles.

**I. SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS****A) BASIS OF PREPARATION OF FINANCIAL STATEMENT**

The Restated Statement of Assets and Liabilities (Annexure I) of the company as at March 31, 2025, March 31, 2024, and March 31, 2023, the Restated Statements of Profit and Loss (Annexure II), the Restated Cash Flow Statement (Annexure III) for the year ended March 31, 2025 March 31, 2024, and March 31, 2023 (hereinafter collectively referred to as "Restated Financial Information") have been extracted by the management from the audited financial statements for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 as approved by the Board of Directors of the Company"

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis.

GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act. The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**B) USE OF ESTIMATES**

The preparation of financial statements is in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting Period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**C) ACCOUNTING CONVENTION**

The Company follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern.

Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

**1. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognitions criteria must also be met before revenue is recognized:

**i) Sale of goods**

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of GST, trade discounts and returns, as applicable.

**ii) Sale of Services**

This method of accounting recognizes revenue in the statement of profit & loss proportionately with the degree of completion of each service. Here the service completion consists of the execution of more than one act. Revenue is recognized with the completion of each such

**iii) Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.



## ENCOMPASS DESIGN INDIA LIMITED

(Formerly Encompass Design India Private. Limited)

CIN: U74210MH2010PLC200672

### 2. PROPERTY, PLANT, EQUIPMENT & INTANGIBLE ASSETS

- a) Property, Plant & Equipment are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any;
- b) Costs directly attributable to acquisition are capitalized until the Fixed Assets are ready for use, as intended by the management. For addition to assets, depreciation is calculated from the succeeding month in which the assets is purchased and put to use. For sale of assets, depreciation is calculated till the end of the month before the day of sale and the Profit or Loss on sale is determined accordingly.
- c) Subsequent expenditures relating to fixed assets are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs & maintenance costs are recognized in the Statement of profit & Loss when incurred;
- d) The cost and related accumulated depreciated are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell;
- e) Depreciation on Tangible Assets in case of company is provided in such a manner so that the cost of asset (Net of realizable value) will be amortized over their estimated remaining useful life on SLM basis as per the useful life prescribed under Schedule II to the Companies Act 2013.
- f) Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end. Fixed Assets of individual value of Rs. 5000/- and below each are fully depreciated in the year of its purchase.
- g) Useful lives of the property plant & equipment is recognized as under:-

Assets class	Useful life
Furniture & Fixtures	10 Years
Office Equipment's	10 Years
Computer Equipment's including mobile phones	3 Years
Plant & Machinery	8 Years

### 3. INVESTMENTS

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as Current Investments. All other investments are classified as Long-Term investment. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as Brokerage, Fees and Duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost.

However, the provision for a reduction in value is made to recognize a decline other than temporary in the value of investments. On disposal of an investment, the difference between it carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

### 4. INVENTORIES

Inventories comprising of raw material, finished goods and consumables. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location excluding GST. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated cost necessary to make the sale. Inventories are valued as under:-

- 1. Raw Material- at lower of the cost or net realisable value
- 2. Finished goods- at lower of the cost or net realisable value
- 3. Consumables- at lower of the cost or net realisable value

**ENCOMPASS DESIGN INDIA LIMITED**

*(Formerly Encompass Design India Private Limited)*

CIN: U74210MH2010PLC200672

**5. IMPAIRMENT OF ASSETS**

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in Prior Years.

**6. RETIREMENT BENEFITS & OTHER EMPLOYEE BENEFITS**

Short term employee benefits are recognized as an expense on accrual basis. The company has no obligation in terms of retirement benefits towards its employees except Gratuity.

There are no defined benefits for leave encashment etc. In the restated financial statements, the Company has made provision for payment of Gratuity to its employees.

**7. FOREIGN EXCHANGE TRANSACTIONS**

Foreign currency transactions are recorded at the exchange rate on the date of transaction. Gains & losses arising out of subsequent fluctuations in exchange rate are accounted for on actual payment or realization. Monetary items denominated in foreign currency as at the Balance Sheet date are converted at the exchange rates prevailing on balance sheet date. Exchange difference is recognized in the Profit and Loss Account.

**8. CASH FLOW STATEMENT**

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

**9. BORROWING COSTS**

Expenses related to borrowing cost are accounted using an effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**10. INCOME TAX**

Income tax expenses comprise current tax and deferred tax charged or credited. Provisions for income tax are made on the basis of section 115 BAB of the Income Tax Act. Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when assets is realized or liability is settled, based on taxed rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

**ENCOMPASS DESIGN INDIA LIMITED**

(Formerly Encompass Design India Private Limited)

CIN: U74210MH2010PLC200672

Deferred Tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such losses.

Deferred Tax liability/Asset in view of Accounting Standard - 22: "Accounting for Taxes on Income" as at the end of the year / period is mentioned in Note C in the enclosed restated financial statements

**11. EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

As per Accounting Standard -20 on Earning Per Share, If the number of equity or potential equity shares outstanding increases as a result of bonus issue or share split or decreases as a result of reverse split(consolidation of shares), the calculation of basic and diluted earning per shares should be adjusted for all the periods presented. If these changes occur after the balance sheet date but before the date on which the financial statements are approved by Board of Directors, the per share calculation of those financial statements and any prior period financial statements presented should be based on new number of shares. Accordingly the EPS has been calculated on number of shares after bonus issue made on 21st February,2024 for all the reporting periods.

**12. PROVISIONS AND CONTINGENT LIABILITIES**

Provisions are recognized when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A present obligation that arises from past events whether it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent Liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Contingent liabilities are not recognized but are disclosed and contingent assets are neither recognized nor disclosed, in the financial statements. The company has taken various Bank Guarantees required to be submitted to Custom authorities towards import and export of goods as well as collateral security for availing facilities from Banks against which company has lien various term deposits with the banks.

**13. CASH & CASH EQUIVALENTS**

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**14. SEGMENT REPORTING**

The Company is operating under a segment of manufacturing and exporting of Textiles Brand & Sauces Food Brand. The company also do Trading of Various products.

**15. EMPLOYEE BENEFITS**

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



**ENCOMPASS DESIGN INDIA LIMITED***(Formerly Encompass Design India Private. Limited)*

CIN: U74210MH2010PLC200672

**Details of Gratuity Expenses**

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024	Year ended 31st March, 2023
<b><u>Reconciliation of net defined</u></b>			
Net opening provision in the books	17.02	12.15	9.05
Employees Benefit Expenses	12.05	4.97	4.28
Benefits paid by the Company	(2.57)	(0.10)	(1.18)
Contribution to planned asset			
<b>Closing provision</b>	<b>26.49</b>	<b>17.02</b>	<b>12.15</b>
<b>Bifurcation of Liability</b>			
Current provision for Gratuity*	5.26	4.11	2.10
Long-term Provisions*	21.23	12.90	10.05
<b>Net Liability</b>	<b>26.49</b>	<b>17.02</b>	<b>12.15</b>
<b>Principal actuarial assumptions:</b>			
Discount Rate per annum	6.50%	7.20%	7.30%
Salary escalation rate	6.00%	6.00%	6.00%

**16. OTHERS**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note 26 of the enclosed restated financial statements.

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

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

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

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

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

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

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

There have been no audit qualifications/observations in Statutory Auditor's Report for the years ended March 31, 2025, 2024 and 2023 which requires adjustments in restated financial statements.

Note 2.a Restated Disclosure of Equity Share Capital

"Amount in INR in Lacs "

Share Capital	As at 31.03.2025		As at 31.03.2024		As at 31.03.2023	
	Number	Amount	Number	Amount	Number	Amount
<b>Authorised</b>						
Equity Shares Of Rs. 10/- Each	1,98,50,000	1,985.00	3,00,000	30.00	3,00,000	30.00
Preference Shares of Rs.10/- each	1,50,000	15.00	1,50,000	15.00	1,50,000	15.00
	2,00,00,000	2,000.00	4,50,000	45.00	4,50,000	45.00
<b>Issued Capital</b>						
Equity Shares of Rs.10/- each	3,90,248	39.02	2,96,105	29.61	2,62,564	26.26
Preference Shares of Rs.10/- each	-	-	13,188	1.32	46,729	4.67
	3,90,248	39.02	3,09,293	30.93	3,09,293	30.93
<b>Subscribed &amp; Paid up</b>						
Equity Shares of Rs. 10/- each fully Paid	3,89,725	38.97	2,96,105	29.61	2,62,564	26.26
Preference Shares of Rs.10/- each	-	-	13,188	1.32	46,729	4.67
<b>Total</b>	3,89,725	38.97	3,09,293	30.93	3,09,293	30.93

Note 2.b The reconciliation of the number of Equity Shares outstanding

Particulars	As at 31.03.2025		As at 31.03.2024		As at 31.03.2023	
	Number	Amount	Number	Amount	Number	Amount
Opening	2,96,105	29.61	2,62,564	26.26	2,62,564	26.26
Add : Preference share capital converted into equity shares	69,887	6.99	33,541	3.35	-	-
Shares Issued during the year	23,733	2.37	-	-	-	-
Bonus Shares Issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year / period	3,89,725	38.97	2,96,105	29.61	2,62,564	26.26

The reconciliation of the number of Preference Shares outstanding

Particulars	As at 31.03.2025		As at 31.03.2024		As at 31.03.2023	
	Number	Amount	Number	Amount	Number	Amount
Opening	13,188	1.32	46,729	4.67	46,729	4.67
Less : Preference share capital converted into equity shares	(76,157)	(7.62)	(33,541)	(3.35)	-	-
Shares Issued during the year	62,969	6.30	-	-	-	-
Bonus Shares Issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year / period	-	(0.00)	13,188	1.32	46,729	4.67

Rights, Preferences and restrictions attached to equity shares

- The company has only one class of equity shares referred to as equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The company has only one class of preference shares referred to as preference shares having a par value of Rs.10 per share.
- In the event of liquidation of the company, the holders of preference shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**ENCOMPASS DESIGN INDIA LIMITED**  
**(Formerly Encompass Design India Private. Limited)**  
**CIN: U74210MH2010PLC200672**  
**Notes forming part of Restated Financial Statements**

**Notes**

(i) During the financial year 2023-24, the Company converted 33,541 preference shares of ₹10 each into 33,541 equity shares of ₹10 each. The conversion was carried out at a 1:1 ratio, in accordance with the terms of issue and approvals obtained from shareholders at the Extraordinary General Meeting held on 23 March 2024.

(ii) During the Financial year 2024-25, the Company converted a total of 76,157 preference shares of ₹10 each into 69,885 equity shares of ₹10 each, in accordance with the terms of issue and shareholder approvals obtained at the Extraordinary General Meetings held on 11 December 2024.

-Similarly, 13,188 preference shares were converted at a 1:1 ratio, with 13,188 equity shares allotted.

-For 62,969 preference shares issued during the current financial year, the conversion was effected at a ratio of 1:0.9004, resulting in the allotment of 56,699 equity shares.

(iii) During the Financial year 202-25, the Company offered 24,216 equity shares of ₹10 each under a private placement. However, only 23,693 shares were subscribed by eligible investors. Accordingly, 23,693 equity shares were allotted, and the remaining 523 shares remained unsubscribed and were not issued.

**Note 2.c Details of the Equity Shareholders holding more than 5%**

Name of Shareholder	As at 31.03.2025		As at 31.03.2024		As at 31.03.2023	
	No. of Shares	% of	No. of	% of	No. of Shares	% of
Amit Dalmia	2,71,375	69.63%	2,54,914	86.09%	2,54,914	86.09%
Ruman Agarwal	16,820	4.32%	16,820	5.68%	-	-
Yogendra Vashishta	16,821	4.32%	16,821	5.68%	-	-
<b>Total</b>	<b>3,05,016</b>	<b>78.26%</b>	<b>2,88,555</b>	<b>97.45%</b>	<b>2,54,914</b>	<b>86.09%</b>

**Details of the Preference Shareholders holding more than 5%**

Name of Shareholder	As at 31.03.2025		As at 31.03.2024		As at 31.03.2023	
	No. of Shares	% of	No. of	% of	No. of Shares	% of
IL & FS Trust Company Limited	-	-	-	-	33,541	71.78%
Advik Holding Pvt Ltd	-	-	3,465	26.27%	3,465	7.42%
Pankaj Padam Kumar Kajaria	-	-	3,465	26.27%	3,465	7.42%
Texport Industries Pvt Ltd	-	-	3,465	26.27%	3,465	7.42%
Girisons Retailing Pvt. Ltd.	-	-	1,810	13.72%	1,810	3.87%
JIBY THOMAS JAMES	-	-	983	7.45%	983	2.10%

**Notes:**

1. The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- each. Each holders of equity shares is entitled to one vote per share.
2. In the event of liquidation of the company, the holders of equity shares shall be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares.
3. The figures disclosed above are on the restated summary statement of assets and liabilities of the company.
4. The company does not have any Revaluation Reserve.

ENCOMPASS DESIGN INDIA LIMITED  
(Formerly Encompass Design India Private. Limited)  
CIN: U74210MH2010PLC200672  
Notes forming part of Restated Financial Statements

**Note 3 Restated Reserves & Surplus**

"Amount in INR in Lacs "

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Profit and loss Account</b>			
Opening balance	173.82	(514.08)	-384.62
(+) Net Profit For the current year/period	1,079.38	687.90	-129.46
<b>Closing Balance</b>	<b>1,253.20</b>	<b>173.82</b>	<b>(514.08)</b>
<b>Share Premium Account</b>			
Opening balance	832.73	832.73	832.73
(+) Added during the current year	1,132.74		
<b>Closing Balance</b>	<b>1,965.47</b>	<b>832.73</b>	<b>832.73</b>
<b>Total</b>	<b>3,218.68</b>	<b>1,006.55</b>	<b>318.65</b>

**Note 4 Restated Long-Term Borrowings**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Secured Loan</b>			
Kotak Mahindra Prime Limited "Nexon EV" *	8.48	10.49	
<b>Unsecured Loan</b>			
<b>Director &amp; Promoter</b>			
Amit Dalmia**	184.39	461.41	566.90
<b>Other</b>			
Standard Chartered Bank ***	35.82		
Trillionloans Fintech Pvt Ltd #		21.37	
Element Seven Garments and textiles Private Limited ##	80.00	100.00	150.00
<b>Total</b>	<b>308.69</b>	<b>593.26</b>	<b>716.90</b>

\*The loan is secured against the hypothecation of the purchased vehicle, with an annual interest rate of 10.3%.

\*\* An unsecured loan with a 15.5% annual interest rate over a 3-year period will accrueas

\*\*\* An unsecured loan with a 8.50% annual interest rate over a 8 Month period ended on 05/07/2024

# A director provide an interest-free loan to the company.

## ICD provide an interest-free loan to the company;

**Note 5 Restated Long Term Provisions**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Provision for Gratuity	21.23	12.90	10.05
For Current Year / Period (P&L)			
<b>Total</b>	<b>21.23</b>	<b>12.90</b>	<b>10.05</b>

**Note 6 Restated Deferred Tax Liabilities/ Assets**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Opening Deferred Tax Liabilities / (Assets)	89.16	(89.31)	(121.12)
For Current Year / Period (P&L)	15.29	178.47	31.81
<b>Total</b>	<b>104.45</b>	<b>89.16</b>	<b>(89.31)</b>

**ENCOMPASS DESIGN INDIA LIMITED**  
(Formerly Encompass Design India Private. Limited)  
CIN: U74210MH2010PLC200672  
Notes forming part of Restated Financial Statements

**Note 7 Restated Trade Payables**

"Amount in INR in Lacs"

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Total Outstanding dues to Micro and Small Enterprises	14.61	66.63	40.64
Total Outstanding dues to other than Micro and Small Enterprises	76.12	74.42	638.78
<b>Total Rs.</b>	<b>90.74</b>	<b>141.05</b>	<b>679.42</b>

**Figures for Current Reporting Period- FY 2024-25**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	14.61	-	-	-	14.61
Others	74.64	1.48	-	-	76.12
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Others	-	-	-	-	-
<b>Total Rs.</b>	<b>89.26</b>	<b>1.48</b>	<b>-</b>	<b>-</b>	<b>90.74</b>

**Figures for Previous Reporting Period-FY 2023-24**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	66.63	-	-	-	66.63
Others	71.17	3.25	-	-	74.42
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Others	-	-	-	-	-
<b>Total Rs.</b>	<b>137.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141.05</b>

**Figures for Reporting Period-FY 2022-23**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	40.64	-	-	-	40.64
Others	635.54	3.24	-	-	638.78
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Others	-	-	-	-	-
<b>Total Rs.</b>	<b>676.18</b>	<b>3.24</b>	<b>-</b>	<b>-</b>	<b>679.42</b>

Notes:

- 1: The figure disclosed above are based on the restated summary statement of Assets and Liabilities of the company.
- 2: Amount due to entity is covered under Micro Small AND Medium Enterprises as defined in MSMED Act 2006, have been identified on the basis of information available with the company. There was No amount due to any such entity which needs to be disclosed above.

**ENCOMPASS DESIGN INDIA LIMITED**  
(Formerly Encompass Design India Private. Limited)  
CIN: U74210MH2010PLC200672  
Notes forming part of Restated Financial Statements

**Note 8 Restated Other Current Liabilities**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Other Current Liabilities</b>			
Sundry Payable	57.89	81.79	49.12
Expenses Payable	91.63	87.57	35.93
TDS/ TCS Payable	10.32	5.13	11.52
ESIC Payable	0.08	0.11	0.03
PF Payable	0.80	0.93	0.95
PT Payable	0.19	0.17	
Advance from Customers	2.29	3.30	506.43
<b>Total</b>	<b>163.20</b>	<b>179.01</b>	<b>603.98</b>

**Note 9 Restated Short term Borrowings**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Secured Loan</b>			
Bank O/D CC from Canara Bank*	-	208.34	30.16
*[The above loan is secured against hypothecation of Stock and Book debts. Further security has been offered by way of Corporate Guarantee of [M/s. Creative Global Kotak Mahindra Prime Limited "Nexon EV" * #Rate of Interest is 8.11% per annum	3.07	3.80	-
<b>Unsecured Loan</b>			
Loan from Body Corporates	1,100.00	-	-
Standard Chartered Bank	14.18	-	-
<b>Total</b>	<b>1,117.25</b>	<b>212.14</b>	<b>30.16</b>

**Note 10 Restated Short term Provisions**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Provision for Income tax (Net)	276.08	49.98	-
Current provision for Gratuity	5.26	4.11	2.10
<b>Total</b>	<b>281.34</b>	<b>54.10</b>	<b>2.10</b>

**ENCOMPASS DESIGN INDIA LIMITED**
*(Formerly Encompass Design India Private Limited)*

CIN: U174210MH2010PLC200672

**Notes forming part of Restated Financial Statements**
**Note 11A Property, Plant and Equipment's**

Year Ended March 31, 2025

"Amount in INR in Lacs"

Sr No.	Particulars	Gross block				Accumulated depreciation				Net block	
		Balance as at 01 April, 2024	Additions during the period	Deletion during the year	Balance as at 31 March 2025	Balance as at 01 April,2024	Depreciation For the Year	Depreciation on Disposal	Balance as at 31 March 2025	Balance as at 31 March 2025	Balance as at 31 March 2024
	Property, Plant and Equipment's										
1	Computers & Peripherals	36.72	25.73	-	62.45	17.02	10.51	-	27.53	34.93	19.70
2	Furnitures & Fixtures	119.41	7.93	-	127.35	30.08	19.58	-	49.66	77.69	89.34
3	Office Equipment	25.66	5.83	-	31.49	4.99	1.74	-	6.73	24.76	20.66
4	Vehicle	17.84	-	-	17.84	0.99	2.68	-	3.67	14.17	16.85
5	Mobiles	2.18		-	2.18	0.89	0.31	-	1.20	0.98	1.29
	Total	201.82	39.49	-	241.31	53.97	34.82	-	88.79	152.52	147.84
	Previous year	84.89	116.93	-	201.82	28.19	25.78	-	53.97	147.84	-

**Note 11A Year Ended March 31, 2024**

Note 11A

For the year ended March 31, 2024

Sr No.	Particulars	Gross block				Accumulated depreciation				Net block	
		Balance as at 01 April, 2023	Additions during the year	Deletion during the year	Balance as at 31 March 2024	Balance as at 01 April,2023	Depreciation For the Year	Depreciation on Disposal	Balance as at 31 March 2024	Balance as at 31 March 2024	Balance as at 31 March 2023
	Property, Plant and Equipment's										
1	Computers & Peripherals	14.53	22.20	-	36.72	10.09	6.93	-	17.02	19.70	4.44
2	Furnitures & Fixtures	54.83	64.59	-	119.41	14.04	16.04	-	30.08	89.34	40.79
3	Office Equipment	13.58	12.07	-	25.66	3.49	1.50	-	4.99	20.66	10.09
4	Vehicle	-	17.84	-	17.84	-	0.99	-	0.99	16.85	-
5	Mobiles	1.95	0.23	-	2.18	0.57	0.32	-	0.89	1.29	1.39
	Total	84.89	116.93	-	201.82	28.19	25.78	-	53.97	147.84	56.70
	Previous year	35.71	49.18	-	84.89	22.99	5.20	-	28.19	56.70	-

**Note 11A Year Ended March 31, 2023**

Sr No.	Particulars	Gross block				Accumulated depreciation				Net block	
		Balance as at 01 April, 2022	Additions during the year	Deletion during the year	Balance as at 31 March 2023	Balance as at 01 April, 2022	Depreciation For the Year	Depreciation on Disposal	Balance as at 31 March 2023	Balance as at 31 March 2023	Balance as at 31 March 2022
	Property, Plant and Equipment's										
1	Furniture & Fixture	10.49	4.04	-	14.53	7.99	2.10	-	10.09	4.44	2.50
2	Computer	17.02	37.81	-	54.83	12.04	2.00	-	14.04	40.79	4.98
3	Office Equipment	6.44	7.14	-	13.58	2.67	0.82	-	3.49	10.09	3.77
4	Plant & Machinery	-	-	-	-	-	-	-	-	-	-
5	Vehicles	1.76	0.19	-	1.95	0.29	0.28	-	0.57	1.39	1.47
	Total	35.71	49.18	-	84.89	22.99	5.20	-	28.19	56.70	12.72
	Previous year	32.55	3.16	-	35.71	19.57	3.42	-	22.99	12.72	-



Note11B Year Ended March 31, 2025											"Amount in INR in Lacs"
SrNo.	Particulars	Gross block				Accumulated depreciation				Gross block	
		Balance as at 01 April, 2024	Additions during the period	Deletion during the year	Balance as at 31 March 2025	Balance as at 01 April, 2024	Depreciation For the Year	Depreciation on Disposal	Balance as at 31 March 2025	Balance as at 31 March 2025	Balance as at 31 March 2024
1	Intangible Assets										
2	Brands	2,006.78	944.73	-	2,951.51	1,087.14	185.39	-	1,272.53	1,678.98	919.64
3	Software	81.20	4.80	-	86.00	58.94	7.29	-	66.23	19.77	22.26
3	Trade Mark	0.94	1.46	-	2.40	0.12	0.23	-	0.34	2.05	0.82
	Total	2,088.92	950.99	-	3,039.91	1,146.20	192.91	-	1,339.11	1,700.80	942.72
	Previous year	1,570.67	518.25	-	2,088.92	999.29	146.90	-	1,146.20	942.72	-
Note11B Year Ended March 31, 2024											"Amount in INR in Lacs"
SrNo.	Particulars	-				-				Gross block	
		Balance as at 01 April, 2023	Additions during the year	Deletion during the year	Balance as at 31 March 2024	Balance as at 01 April, 2023	Depreciation For the Year	Depreciation on Disposal	Balance as at 31 March 2024	Balance as at 31 March 2024	Balance as at 31 March 2023
1	Intangible Assets										
2	Brands	1,488.54	518.25	-	2,006.78	948.04	139.10	-	1,087.14	919.64	540.50
3	Software	81.20		-	81.20	51.23	7.71	-	58.94	22.26	29.97
3	Trade Mark	0.94		-	0.94	0.03	0.09	-	0.12	0.82	0.91
	Total	1,570.67	518.25	-	2,088.92	999.29	146.90	-	1,146.20	942.72	571.38
	Previous year	1,560.91	9.76	-	1,570.67	850.66	148.64	-	999.29	571.38	-
Note11B Year Ended March 31, 2023											"Amount in INR in Lacs"
SrNo.	Particulars	-				-				Gross block	
		Balance as at 01 April, 2022	Additions during the year	Deletion during the year	Balance as at 31 March 2023	Balance as at 01 April, 2022	Depreciation For the Year	Depreciation on Disposal	Balance as at 31 March 2023	Balance as at 31 March 2023	Balance as at 31 March 2022
1	Intangible Assets										
2	Brands	1,488.54		-	1,488.54	806.63	141.41	-	948.04	540.50	681.91
3	Software	72.38	8.82	-	81.20	44.03	7.20	-	51.23	29.97	28.35
3	Trade Mark		0.94	-	0.94		0.03	-	0.03	0.91	-
	Total	1,560.91	9.76	-	1,570.67	850.66	148.64	-	999.29	571.38	710.26
	Previous year	1,644.01	-	83.10	1,560.91	710.29	151.39	11.02	850.66	710.26	-

**ENCOMPASS DESIGN INDIA LIMITED**  
(Formerly Encompass Design India Private, Limited)  
CIN: U74210MH2010PLC200672  
**Notes forming part of Restated Financial Statements**

**Note 12 Restated Investment**

"Amount in INR in Lacs"

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Quoted Investments in Mutual Funds</b>			
-Kotak Equity Arbitrage Fund (Units 142.438)	0.05		
- Edelweiss Arbitrage Fund (Units 275.150)	0.05		
<b>Total</b>	<b>0.10</b>	<b>-</b>	<b>-</b>

**12.1 Other Disclosures :**

Aggregate cost of quoted investment	0.10
Aggregate market value of quoted investments	0.11
Aggregate amount of unquoted investments	
Aggregate provision for diminution in value of investments	

**Note 13 Restated Long Term Loans and Advances**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Security Deposits</b>			
Other deposits	37.15	36.46	15.08
<b>Total</b>	<b>37.15</b>	<b>36.46</b>	<b>15.08</b>

**Note 14 Restated Trade Receivables**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Trade receivables outstanding for more than Six Months from the date they are due for payment	73.51	0.01	60.75
Secured Considered good			
Trade receivables outstanding for less than Six Months from the date they are due for payment	820.74	476.93	174.74
Secured considered good	-	-	-
Less: Provision for doubtful debts	-	-	-
<b>Total Rs.</b>	<b>894.25</b>	<b>476.94</b>	<b>235.48</b>

**Figures for Previous Reporting Period-FY 2024-25**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- Considered Goods	816.95	43.79	29.72		-	890.47
Undisputed Trade Receivables- Considered Doubtful	-	-	-		-	-
Disputed Trade Receivables- Considered Goods	-	-	3.78		-	3.78
Disputed Trade Receivables- Considered Doubtful	-	-	-		-	-
Others	-	-	-		-	-

**Figures for Previous Reporting Period-FY 2023-24**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- Considered Goods	476.93	0.01				476.94
Undisputed Trade Receivables- Considered Doubtful						-
Disputed Trade Receivables- Considered Goods	-	-				-
Disputed Trade Receivables- Considered Doubtful	-	-				-
Others	-	-	-		-	-

**ENCOMPASS DESIGN INDIA LIMITED**

(Formerly Encompass Design India Private. Limited)

CIN: U74210MH2010PLC200672

**Notes forming part of Restated Financial Statements****Figures for Reporting Period-FY 2022-23**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- Considered Goods	174.74	0.74	7.68	24.45		207.60
Undisputed Trade Receivables- Considered Doubtful			11.25	1.77		13.02
Disputed Trade Receivables- Considered Goods	-	-	-	-		-
Disputed Trade Receivables- Considered Doubtful	-	-		14.86	-	14.86
Others	-	-	-	-	-	-

**Note 15 Restated Inventories**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
(a) Raw Materials and components (Valued at cost)	1,009.74	349.04	312.73
(b) Finished goods (Valued at cost or market value which ever is less)	77.14	160.33	973.40
<b>Total</b>	<b>1,086.87</b>	<b>509.38</b>	<b>1,286.13</b>

**Note 16 Restated Cash And Cash Equivalent**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Cash &amp; Cash Equivalent</b>			
i) Cash in hand	0.51	25.10	0.04
ii) Balance with Banks			
- Current account with Scheduled Bank	495.79		
iii) 'CC limits from Bank of Maharashtra'			
*[The above loan is secured against hypothecation of Stock and Book debts.]	673.69		
iv) Fixed Deposit with Banks Lien against BG, OD & CC	81.08	5.41	6.84
<b>Total</b>	<b>1,251.07</b>	<b>30.51</b>	<b>6.88</b>

**Note 17 Restated Other Current Assets**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
GST Receivable	204.29	132.59	84.81
TDS & TCS Advance paid	-	-	6.96
Advance given to supplier	15.78	38.25	18.75
Advance to Employees	-	-	13.43
Prepaid Expenses	1.71	4.41	7.29
<b>Total</b>	<b>221.78</b>	<b>175.25</b>	<b>131.23</b>

**ENCOMPASS DESIGN INDIA LIMITED**

(Formerly Encompass Design India Private. Limited)

CIN: U74210MH2010PLC200672

Notes forming part of Restated Financial Statements

**Note 18 Restated Revenue from Operations**

"Amount in INR in Lacs"

Particulars	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31 March 2023
Domestic Sales	5,350.14	3,766.34	2,009.77
Export Sales	114.80	237.84	152.70
<b>Total</b>	<b>5,464.94</b>	<b>4,004.18</b>	<b>2,162.47</b>

Detail of Sales of products	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31 March 2023
<b>(A) Sale of products</b>			
Domestic			
- Sales from Manufacturing	1,400.14	854.42	307.58
- Trading Sales	3,554.57	2,885.44	1,603.44
<b>(B) Sale of Services</b>			
Domestic	395.43	26.49	98.75
Export	114.80	237.84	152.70
<b>Total</b>	<b>5,464.94</b>	<b>4,004.18</b>	<b>2,162.47</b>

**Note 19 Restated Other Income**

Particulars	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31 March 2023
Interest Received	2.24	8.98	0.54
Commission Received	15.01	0.03	0.07
MSME Interest Reversal	4.55		0.42
Other Misc Income	14.44	1.56	5.58
<b>Total</b>	<b>36.25</b>	<b>10.56</b>	<b>6.61</b>

**Note 20 Restated Cost of Material Consumed**

Particulars	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31 March 2023
Opening Stock of Raw Material	349.04	312.73	472.77
<b>Add:</b>			
Local Purchase	3,102.71	996.14	1,656.58
Less: Closing Stock of Raw Material	(1,009.74)	(349.04)	(312.73)
Other Direct & Manufacturing Expenses	127.74	92.94	59.26
<b>Total</b>	<b>2,569.76</b>	<b>1,052.76</b>	<b>1,875.89</b>

**Note 21 Restated Changes in Inventory**

Particulars	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31 March 2023
<b>Finished Goods stock</b>			
Opening Stock of Goods	160.33	973.40	363.74
Closing Stock of Goods	77.14	160.33	973.40
<b>Total</b>	<b>83.19</b>	<b>813.07</b>	<b>(609.66)</b>

**ENCOMPASS DESIGN INDIA LIMITED**

(Formerly Encompass Design India Private. Limited)

CIN: U74210MH2010PLC200672

**Notes forming part of Restated Financial Statements****Note 22 Restated Employee Benefit Expenses** "Amount in INR in Lacs"

Particulars	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31 March 2023
Salaries & Wages	383.33	339.45	346.71
Director's Remuneration	36.00	36.00	32.00
Gratuity Benefits	12.05	4.97	4.28
Employee Incentives	3.31	2.03	0.79
Staff Welfare Expenses	32.14	19.30	8.68
<b>Total</b>	<b>466.83</b>	<b>401.75</b>	<b>392.45</b>

**Note 23 Restated Finance Cost**

Particulars	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31 March 2023
<b>Bank Charges</b>			
Bank Charges	6.28	5.46	0.84
Interest paid on Loan	13.78	12.51	5.66
Interest paid on CC	11.56	13.34	
Foreign Remittance Bank's Markup			
<b>Total</b>	<b>31.63</b>	<b>31.30</b>	<b>6.50</b>

**Note 24 Restated Other Expenses**

Particulars	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31 March 2023
<b>Other Expenses</b>			
Rent, Rate & Taxes	99.56	104.38	51.07
Business Promotion Exhibition and Advertising	9.00	15.52	49.83
Office Expenses	5.22	6.45	7.54
Printing & Stationary	19.86	26.01	9.22
Professional Fees	38.39	67.74	46.74
Travelling Expenses	25.48	21.89	15.54
Electricity Charges	17.10	11.32	2.22
Interest on MSME		4.55	
Repairs and Maintenance	8.28	4.78	10.83
Mobile & Internet Charges	1.78	1.90	0.99
Postage & Courier Charges	161.60	75.04	40.77
Software and Other certification	77.24	48.45	23.31
Insurance	8.63	7.30	7.98
Foreign Exchange Gain /Loss	0.84	0.14	0.73
Commission & Brokerage	164.00	200.47	164.71
Audit Fees	2.13	2.10	1.80
Labour, Loading & Unloading Expenses	9.23	7.78	1.18
Miscellaneous Expenses	10.41	9.41	13.28
Sundry Balance Written Off			
<b>Total</b>	<b>658.74</b>	<b>615.24</b>	<b>447.73</b>

**ENCOMPASS DESIGN INDIA LIMITED**

(Formerly Encompass Design India Private. Limited)

CIN: U74210MH2010PLC200672

**Notes forming part of Restated Financial Statements**

"Amount in INR in Lacs"

**Note 25** There are No Micro, small and Medium Enterprises to whom the company owes dues which are outstanding for more than 45 days during the period. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified in the basis of information available with the company.

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 31st March,2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; * *During FY 24-25 Total Payable to MSME Rs. 14,61,499/- out of which Rs.NIL is the sum on which Interest on MSME is payable *During FY 22-23 Total Payable to MSME Rs. 40,64,149/- out of which Rs.18,11,664/- is the SUM on which Interest on MSME is payable	14.61	40.64	18.12
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	Nil	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the year;	Nil	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil	Nil

**Note 26 Transaction in Foreign Currency**

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 31st March,2023
<b><u>Expenditure in Foreign Currency</u></b>			
Expenses	-	-	153.53
<b><u>Earning Foreign Exchange</u></b>			
Supply of Services	114.80	237.84	152.70

**Note 27 Disclosure of related parties****List of Related Parties**

Sr No.	Name of Related Parties	Relationship
1	Mr. Amit Dalmia	Managing Director
2	Mrs. Susmita Dalmia	Director

**Company in which Director has significant influence**

1	Home Craft Online Private limited	4	Viaton Energy Private Limited (till 22nd Nov 2024)
2	OTH Online Private limited	5	M/s. Gajanan Tubes
3	Brand spring ventures LLP		

**ENCOMPASS DESIGN INDIA LIMITED**

(Formerly Encompass Design India Private. Limited)

CIN: U74210MH2010PLC200672

**Notes forming part of Restated Financial Statements****Disclosure of related party transaction:**

"Amount in INR in Lacs "

Sr.No.	Nature of transaction	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 31st March,2023
<b>1</b>	<b>Remuneration</b>			
	Amit Dalmia	12.00	12.00	8.00
	Susmita Dalmia	24.00	24.00	24.00
<b>2</b>	<b>Loans Received</b>	-	-	
	Amit Dalmia	120.30	138.00	684.00
<b>3</b>	<b>Loans Repaid</b>			
	Amit Dalmia	397.32	243.49	117.10
<b>4</b>	<b>Telephone Expense</b>			
	Amit Dalmia	0.00	0.03	0.04
	Susmita Dalmia	-	0.05	0.05
<b>5</b>	<b>Sales Goods</b>			
	M/s. Gajanan Tubes	0.25	0.11	-
	Viaton Energy Private Limited	26.94	431.56	-
<b>6</b>	<b>Technical Services -Local</b>			
	OTH Online Private limited	-	-	4.34

**Balances at the Year end**

Sr no.	Name	Nature of Transaction	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 31st March,2023
1	Amit Dalmia	Unsecured Loan	184.41	461.41	566.90
2	Amit Dalmia	Remuneration	0.97	0.90	0.90
3	Susmita Dalmia	Remuneration	1.73	1.44	1.60
4	M/s. Gajanan Tubes	Trade receivable	0.05	-	-
5	Viaton Energy Private Limited	Trade receivable	-	285.08	-

**Note 28 Earning Per share**

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 31st March,2023
Profit after Tax for the Year/Period	10,79,38,458.39	6,87,89,580.141	(1,29,46,173.039)
Weighted average number of equity shares outstanding during the period	3,55,224	2,63,114	2,62,564
Bonus Sahres issued	1,00,35,419	1,00,35,419	1,00,35,419
<b>Basic- Earning per share</b>	<b>10.39</b>	<b>6.68</b>	<b>(1.26)</b>
Convertible Prefrence shares o/s as the year end	-	13,188	46,729
<b>Diluted earning per share</b>	<b>10.39</b>	<b>6.67</b>	<b>-1.25</b>

1. Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

2. For the year ended 31st March 2023, the Company has incurred a net loss. As a result, the effect of potential equity shares arising from convertible preference shares is anti-dilutive and has therefore been excluded from the calculation of diluted earnings per share in accordance with AS 20 – Earnings per Share. Accordingly, the Basic and Diluted EPS are the same for the reporting period

3. Subsequent to the balance sheet date, the Company allotted bonus shares in the ratio of 25.75:1 (i.e., 25.75 equity shares for every 1 equity share held) on 02 May 2025. In accordance with Accounting Standard (AS) 20 – Earnings Per Share, the basic and diluted earnings per share (EPS) for the year ended 31 March 2025 and for all previous periods presented in the financial statements have been adjusted retrospectively to give effect to the said bonus issue.



**ENCOMPASS DESIGN INDIA LIMITED***(Formerly Encompass Design India Private, Limited)*

CIN: U74210MH2010PLC200672

**Notes forming part of Restated Financial Statements**

**Note 29 Where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:**

(a) repayable on demand or

(b) without specifying any terms or period of repayment

Type of Borrower	Amount of loan and Advance in the nature of Loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	NIL	NIL
Directors	NIL	NIL
KMPs	NIL	NIL
Related Parties	NIL	NIL

**Note 30 Capital Work In Progress (CWIP)**

The company does not have any capital work-in-progress as at the balance sheet date.

**Note 31 Intangible assets under development:**

The company does not have any intangible assets under development as at the balance sheet date.

**Note 32 Details of Benami Property held**

The company does not have any proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder as at the balance sheet date.

**Note 33 Where the Company has borrowings from banks or financial institutions on the basis of current assets**

The company does not have any borrowings from banks or financial institutions on the basis of current assets as at the balance sheet date.

**Note 34 Wilful Defaulter**

The company does not have any wilful defaulter as at the balance sheet date.

**Note 35 Relationship with Struck off Companies**

The company does not have any Relationship with Struck off Companies as at the balance sheet date.

**Note 36 Registration of charges or satisfaction with Registrar of Companies**

The company does not have any pending registration of charges or satisfaction with Registrar of Companies as at the balance sheet date.

**Note 37 Compliance with number of layers of companies**

The company does not hold any other company as at the balance sheet date.

**Note 38 Compliance with approved Scheme(s) of Arrangements**

The company does not have any approved scheme of arrangements as approved by competent authority in terms of sections 230 to 237 of Companies Act, 2013 as at the balance sheet date.

**Note 39 In the opinion of the Board**

The Trade Receivables/Payables, Trade Advances, Capital Advances, Deposits and Loans are subject to reconciliation, confirmation and consequential adjustments that may arise on reconciliation which may have major impact. Thus the balances of receivables and Payables as well as Loan & Advances have been taken as per the books of accounts submitted by the Company and are subject to confirmation from the respective parties.

**Note 40 Audit Trail**

The Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit, based on our examination which included test checks, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

**ENCOMPASS DESIGN INDIA LIMITED**

(Formerly Encompass Design India Private, Limited)

CIN: U74210MH2010PLC200672

**Notes forming part of Restated Financial Statements****Note 41 Disclosure pertaining to corporate social responsibility expenses.**

The amount required to be spent by the company during the year towards CSR as per the provision of Sec. 135 of the Companies Act, 2013 as under.

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Opening Balance of Provision of CSR as on	Nil	Nil	Nil
Opening balance for Set off ( If any )	Nil	Nil	Nil
Add : Amount required to be spent during the year	5.02	Nil	Nil
Less : Amount Spent during the year	5.10	Nil	Nil
Less: Set off of amount from the previous year	Nil	Nil	Nil
Amount available for Set off next year	(0.08)	Nil	Nil
Closing Balance of Provision of CSR as on	Nil	Nil	Nil

**Note 42 Subsequent Events**

Subsequent to the reporting date, the Company has converted from a private limited company to a public limited company and accordingly changed its name from Encompass Design India Private Limited to Encompass Design India Limited. The change was made pursuant to Section 18 of the Companies Act, 2013, and was approved by the Registrar of Companies, Central Processing Centre (ROC, CPC) vide SRN AB3697091 dated 03 May 2025. A fresh Certificate of Incorporation reflecting the new name was issued on 05 May 2025.

**Note 43 Ratio Analysis** Please Refer the Ratio Analysis Sheet for details.

**Note 44** Previous year figures are regrouped rearranged, reclassified wherever felt necessary.

**Signature to Note No. 1 to 44 forming part of the Balance Sheet and Statement of Profit & Loss.**

As per Our Attached Report of Even Date  
For V K BESWAL & ASSOCIATES

Chartered Accountants

FRN No.:- 101083W

KUNAL

VINOD

BESWAL

CA Kunal V. Beswal

Partner

Membership No. 131054

Place :- Mumbai

Date :- 09/06/2025

Digitally signed by KUNAL, VINOD BESWAL  
DN: cn=Kunal V. Beswal, o=V K BESWAL & ASSOCIATES, ou=Chartered Accountants, email=kunal@vkbswal.com, c=IN  
Date: 2025.06.09 17:50:14 +05'30'

For and on behalf of Board of Directors of  
ENCOMPASS DESIGN INDIA LIMITED

AMIT  
DALMIA

Digitally signed by AMIT  
DALMIA  
Date: 2025.06.11  
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Amit Dalmia

Director

DIN: 00210919

NIKITA  
DINESH  
CHANDAK

Digitally signed by NIKITA DINESH  
CHANDAK  
Date: 2025.06.09  
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Nikita Chandak

Company Secretary

ACS No. 55327

SUSMIT  
A AMIT  
DALMIA

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AMIT DALMIA  
Date: 2025.06.09  
17:50:14 +05'30'

Susmita Dalmia

Director

DIN : 02401290

TARAK  
AMRUTLA  
L NAGDA

Digitally signed by TARAK  
AMRUTLAL NAGDA  
Date: 2025.06.09  
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Tarak Nagda

CFO

**ENCOMPASS DESIGN INDIA LIMITED**

(Formerly Encompass Design India Private. Limited)

CIN: U74210MH2010PLC200672

Notes forming part of Restated Financial Statements

**Note 43:-Ratio**

Ratio	Numerator	Denominator	As at 31.01.2025	As at 31.03.2024	As at 31.03.2023	% change from March 31, 2024 to March 31, 2025	% change from March 31, 2023 to March 31, 2024	% change from March 31, 2022 to March 31, 2023
Current Ratio	Current Asset	Current Liabilities	2.09	2.03	1.26	-1.80%	-60.18%	40.45%
Debt-Equity Ratio	Total Debt (Short Term+Long Term)	Shareholder's Equity	0.44	0.78	2.14	44.62%	64.67%	1.33%
Interest Coverage Ratio	EBITDA	Principal +Interest	1.19	1.36	0.08	13.25%	-1534.26%	17.96%
Return on Equity Ratio	PAT	Average Shareholders equity	50.26%	99.19%	-31.25%	50.33%	418.43%	-175.93%
Inventory Turnover Ratio	Cost of goods Sold(Opening Stock of RM and FG+Purchase - Closing Stock of RM and FG)	Average Inventory	3.32	2.08	1.19	-58.93%	-73.20%	-14.89%
Trade Receivables Turnover Ratio	Revenue from Operation	Average Trade Receivables	7.97	11.24	8.63	30.09%	-29.32%	-20.42%
Trade Payables Turnover Ratio	Net Credit Purchase	Average Trade Payables	26.77	2.43	2.78	-1001.55%	13.68%	-97.44%
Working Capital Turnover Ratio	Revenue from Operation	Working Capital=Current Assets -Current Liabilities	4.54	8.43	4.29	47.15%	-95.74%	-41.44%
Net Profit Ratio	Net profit after Taxes	Net Sales	19.75%	17.18%	-5.99%	-13.97%	387.96%	-86.58%
Return on Capital Employed	Earnings before Interest and Taxes	Capital Employed	40.49%	55.36%	-8.47%	27.86%	754.77%	223.40%
EBITDA Margin	Earnings before Interest and Taxes and depreciation- other income	Net Sales	31.52%	28.27%	2.90%	-10.51%	-874.26%	52.07%

## OTHER FINANCIAL INFORMATION

<b>ENCOMPASS DESIGN INDIA LIMITED</b> (Formerly Encompass Design India Private. Limited) CIN: U74210MH2010PLC200672 <b>Annexure VI - Other financial information</b> (Amounts in INR Lakh, unless otherwise stated)			
<b>The accounting ratios required under Paragraph 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:</b>			
Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Restated profit attributable to equity shareholders (₹) (A)	10,79,38,458.39	6,87,89,580.14	(1,29,46,173.04)
Weighted average number of equity shares in calculating basic EPS (B)	3,55,224.19	2,63,113.85	2,62,564.00
Weighted average number of equity shares in calculating diluted EPS (C)	3,55,224.19	2,76,301.85	2,62,564.00
<b>Basic earnings per share (₹ per share) (D=A/B)</b>	<b>303.86</b>	<b>261.44</b>	<b>(49.31)</b>
<b>Diluted earnings per share (₹ per share) (E=A/C)</b>	<b>303.86</b>	<b>248.97</b>	<b>(49.31)</b>
Weighted average number of equity shares in calculating basic EPS - post bonus shares (F)	1,03,90,643.19	1,02,98,532.85	1,02,97,983.00
Weighted average number of equity shares in calculating diluted EPS - post bonus shares (G)	1,03,90,643.19	1,03,11,720.85	1,02,97,983.00
<b>Basic earnings per share - post bonus shares (₹ per share) (H=A/F)</b>	<b>10.39</b>	<b>6.68</b>	<b>(1.26)</b>
<b>Diluted earnings per share - post bonus shares (₹ per share) (I=A/G)</b>	<b>10.39</b>	<b>6.67</b>	<b>(1.26)</b>
Net worth (A)	3,257.65	1,037.48	349.58
Restated profit attributable to shareholders (B)	1,079.38	687.90	(129.46)
<b>Restated Return on net worth (%) (C=B/A)</b>	<b>33.13%</b>	<b>66.30%</b>	<b>-37.03%</b>
Net Assets (₹) (A)	32,57,65,054.39	10,37,47,809.19	3,49,58,429.12
Number of equity shares outstanding at the end of the year (B)	3,89,725.00	2,96,105.00	2,62,564.00
<b>Restated Net asset value per share (C=A/B)</b>	<b>835.88</b>	<b>350.38</b>	<b>133.14</b>
Number of equity shares outstanding at the end of the year - post bonus shares (F)	3,89,725.00	2,96,105.00	2,62,564.00
<b>Restated Net asset value per share - post bonus shares (G=A/F)</b>	<b>835.88</b>	<b>350.38</b>	<b>133.14</b>
Restated profit for the year (A)	1,079.38	687.90	(129.46)
Restated profit for the year from discontinued operation (B)	-	-	-
<b>Restated profit for the year from continuing operations (C=A-B)</b>	<b>1,079.38</b>	<b>687.90</b>	<b>(129.46)</b>
Total tax expenses (D)	383.94	240.04	31.81
Exceptional items (E)	-	-	-
Finance costs (F)	31.63	31.30	6.50
Depreciation and amortization expense (G)	227.73	172.69	153.84
Other income (H)	(36.25)	(10.56)	(6.61)
Other Non Operative Expenses (I)	-	-	-
<b>EBITDA (I=C+D+E+F+G-H+I)</b>	<b>1,686.43</b>	<b>1,121.36</b>	<b>56.07</b>
Share based payment expense (J)	-	-	-
<b>Adjusted EBITDA (K=I+J)</b>	<b>1,686.43</b>	<b>1,121.36</b>	<b>56.07</b>
<b>3. Note on Earnings Per Share in accordance with AS 20 – "Earnings Per Share":</b> In accordance with Accounting Standard (AS) 20 – Earnings Per Share, the earnings per share (EPS) disclosed in the financial statements has been adjusted for the effect of bonus shares issued. The Company allotted 1,00,35,419 bonus equity shares on 09th May 2025, which is prior to the date of approval of the financial statements (09th June 2025). Hence for the Purpose of EPS we considered the Bonus Shares,			
<b>Notes:</b>			
<b>Net worth is derived as below</b>			
Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Share capital</b>	<b>38.97</b>	<b>30.93</b>	<b>30.93</b>
<b>Reserves and Surplus</b>	<b>3,218.68</b>	<b>1,006.55</b>	<b>318.65</b>
Retained Earnings	-	-	-
<b>Net worth</b>	<b>3,257.65</b>	<b>1,037.48</b>	<b>349.58</b>

The ratios on the basis of Restated Financial Information have been	
Basic Earnings per share (₹)	$\frac{\text{Restated Net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company}}{\text{Weighted average number of Equity Shares outstanding during the year/period post sub-division/bonus}}$
Diluted Earnings per share (₹)	$\frac{\text{Restated Net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company}}{\text{Weighted average number of Equity Shares outstanding during the year/period adjusted for the effects of all dilutive potential Equity shares post sub-division/bonus}}$
Return on Net Worth (%)	$\frac{\text{Restated net profit/(loss) after tax for the year / period attributable to equity shareholders of the Company}}{\text{Restated total equity attributable to equity holders}}$
Net asset value per Equity Share	$\frac{\text{Restated Total equity attributable to equity holders}}{\text{Weighted Average Number of equity shares outstanding during the year/ period post sub-division/bonus}}$
Net Assets	Total assets less total liabilities
EBITDA	Restated profit/(loss) for the respective year/period + total tax expenses + exceptional items + finance costs + depreciation and amortisation - other income

The following table sets forth our Company's capitalisation as at Mar 31, 2025, derived from our Restated Financial Statements, and as adjusted for the Issue

"Amount in INR in Lacs "		
Particulars	As at 31 March 2025	As adjusted for the proposed Issue
<b>Borrowings</b>		
Non-current borrowings (including current maturity of long-term debt) (I)		
Total current borrowings (II)	1,117.25	
Total Borrowings (I) + (II) = (A)	1,117.25	
<b>Equity</b>		
Equity Share Capital	38.97	
Reserve and Surplus	3218.68	
Total Equity (B)	3,257.65	
Capitalisation (A) + (B)	4,374.90	
Non-current borrowings (including current maturity of long-term debt)/Equity	0.00	
Total borrowings/Equity	0.34	

As per Our Attached Report of Even Date  
For V K BESWAL & ASSOCIATES  
Chartered Accountants

FRN No.:- 101083W

KUNAL VINOD  
BESWAL

CA Kunal V. Beswal

Partner

Membership No. 131054

Place :- Mumbai

Date :- 09/06/2025

For and on behalf of Board of Directors of  
ENCOMPASS DESIGN INDIA LIMITED

AMIT  
DALMIA

Amit Dalmia

Director

DIN: 00210919

NIKITA  
DINESH  
CHANDAK

Nikita Chandak

Company Secretary

ACS No. 55327

SUSMITA  
AMIT  
DALMIA

Susmita Dalmia

Director

DIN : 02401290

TARAK  
AMRUTLAL  
NAGDA

Tarak Nagda

CFO



### STATEMENT OF FINANCIAL INDEBTNESS

As on July 16, 2025 the Company has total outstanding secured borrowings from banks and financial institutions aggregating to ₹1110.57 lakhs. The Company has total outstanding unsecured loan aggregating to ₹477.52 lakhs, as per the certificate issued by M/s V. K. Beswal & Associates, Chartered Accountants, dated July 18, 2025.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions as on July 16, 2025:

Nature of Borrowing	Amount (₹ in Lakhs)
<b>Secured Borrowings</b>	
<i>Fund Based</i>	
Vehicle Loan	10.57
Other Loans from Bank	1100.00
<i>Non-Fund Based</i>	-
<b>Unsecured Borrowings</b>	
<i>Fund Based</i>	
Loan From Directors	134.39
Loan From ICD	230.00
<i>Loan From Bank</i>	113.13
Loan from Body Corporates	
<i>Non-Fund Based</i>	-
<b>Total</b>	<b>1588.09</b>

#### Details of Secured Borrowings:

Name of Lender	Sanction Date	Nature of the Facility	Amount Sanctioned (₹ In Lakhs)	Amount outstanding as on 16 <sup>th</sup> July 2025 (₹ In Lakhs)	Principal Terms & Conditions*
Union Bank	09/06/2025	Cash Credit Limit	600.00	600.00	Exclusive charge by way of hypothecation on stock of raw material, semi-finished goods, imported goods & spares and other consumables of the company product lying in go down/ factory premises or in transit with assignment of book debts and other.
Bank of Maharashtra	16.08.2024	Cash Credit Limit	500.00	500.00	Exclusive charge by way of hypothecation on stock of raw material, semi-finished goods, imported goods & spares and other consumables of the company product lying in godown/ factory premises or in transit with assignment of book debts and other.
Kotak Mahindra Prime limited	17/11/2023	Vehicle loan	15.08	10.57	Nexon EV Car Loan #Rate of Interest is 8.11% per annum

**Details of Unsecured Borrowings**

Name of Lenders	Amount Outstanding as on 16th July 2025 (₹ In Lakhs)
From Directors and their Relatives:	
Amit Rajendraprasad Dalmia	134.39
From Others:	
Loan From ICD	230.00
Loan From Bank	113.13
<b>Total</b>	<b>477.52</b>



## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

*The following discussion and analysis of our financial condition and results of operations for the Fiscal Years 2025, 2024, and 2023 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 205 of this Draft Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with AS.*

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the financial year ended on 31st March 2025, 31st March 2024 and 31st March 2023 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this prospectus. You should also see the section titled "**Risk Factors**" beginning on page 28 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated June 09, 2025 which is included in this Draft Red Herring prospectus under the section titled "**Financial Information as Restated**" beginning on page 204 of this Draft Red Herring Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

***Note:** Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### **BUSINESS OVERVIEW**

Our Company was originally incorporated as "Encompass Design India Private Limited" a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 2010 issued by Registrar of Companies, Mumbai. Further, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated March 31, 2025 and consequently, the name of our Company was changed from "Encompass Design India Private Limited" to "Encompass Design India Limited" and a fresh certificate of incorporation dated May 05, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U74210MH2010PLC200672.

Our Company is based in Mumbai, Maharashtra. The registered office is located at Shop No. A-101, Virwani Industrial Estate, Opposite Western Express Highway, Goregaon (East), Mumbai – 400063. The manufacturing unit of the Company is located at Gala No. 7 to 10, 1st Floor, Building No. I-09, Shree Arihant Compound, Bhiwandi, Thane – 421302, Maharashtra.

**Encompass Design India Limited (EDIL)**, operating under the brand name '**ScaleSauce**', is engaged in building and scaling consumer brands in India, with a focus on the **home & living** and **food** segments tailored to the modern urban Indian consumer. The Company was incorporated in **2011** as a trading enterprise. In response to emerging market opportunities, we subsequently **expanded our operations** to include **e-commerce support services**, which we operated alongside our trading activities.

The Company's core business activities include the **manufacturing of home and lifestyle products**, such as **bed sheets, curtains, comforters, table linens, and pillow covers**, as well as **food products**, with a primary focus on **sauces**, marketed under its own brands.

In addition to its manufacturing operations, the Company is also involved in the **trading of agro-based products, cotton, and fabrics**. It further undertakes the **sale of various other goods**, primarily through **gated market platforms**, enabling access to niche buyers.

In addition to our product-based operations, the Company offers a **comprehensive range of digital and e-commerce support services** designed to enable the growth of consumer brands in the online space. These services provide **end-to-end solutions** across **marketing, technology, and operations**, catering to both **direct-to-consumer (D2C) businesses** and **corporate clients**. Through these offerings, we assist brands in enhancing visibility, expanding their digital presence, and driving sales growth.

Our company is promoted by Mr. Amit Rajendraprasad Dalmia, Mrs. Susmita Amit Dalmia, Mr. Ruman Kailash Agarwal and Mr. Yogendra Vashishta. In addition to their roles as promoters, They are actively involved in the company's management, providing strategic guidance and contributing significantly to key areas such as marketing, branding, operations, and overall business strategy. For Further details, refer to the section titled **“Our Management”** on page 180 of this Draft Red Herring Prospectus.

Our revenues financial year ended on Fiscals 2025, 2024 and 2023 were ₹ 5464.94 lakhs, ₹ 4004.18 lakhs, and ₹ 2169.09 lakhs respectively. Our PAT for the financial year ended on Fiscals 2025, 2024 and 2023 was ₹1079.38 lakhs, ₹ 687.90 lakhs, and a loss of ₹ 129.46 lakhs respectively. For further details, please refer to the section titled “Financial Information” on page 204 of this Draft Red Herring Prospectus.

## **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD**

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e. March 31, 2025 as disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have decided to get their equity shares listed on SME Emerge Platform of NSE Limited and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on June 09, 2025 proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on July 03, 2025 authorized the Initial Public Offer.
3. Our Company has allotted 1,00,35,419 Equity Shares as a bonus issue in the ratio of 25.75:1 (i.e., 25.75 equity share for every 1 equity shares held by eligible shareholders).

## **KEY FACTORS AFFECTING OUR RESULTS OF OPERATION**

1. Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
2. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
3. Our ability to retain and hire key employees or maintain good relations with our workforce;
4. Impact of any reduction in sales of our services/products;
5. Rapid Technological advancement and inability to keep pace with the change;
6. Increased competition in industries/sector in which we operate;
7. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
8. Changes in laws and regulations relating to the Sectors in which we operate;
9. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
10. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
11. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
12. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact

our profitability.

## SIGNIFICANT ACCOUNTING POLICIES:

Our significant accounting policies are described in the section entitled “*Financial Statements as Restated*” beginning from page 204 of the Draft Red Herring Prospectus.

## FINANCIAL KPIs OF THE COMPANY:

Key Financial Performance	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations <sup>(1)</sup>	5,464.94	4,004.18	2,162.47
EBITDA <sup>(2)</sup>	1686.43	1121.36	56.07
EBITDA Margin (%) <sup>(3)</sup>	30.86%	28.00%	2.59%
PAT	1,079.38	687.90	-129.46
PAT Margin (%) <sup>(4)</sup>	19.75%	17.18%	-5.99%
Profit after tax growth (%)	56.91%	-631.36%	126.00%
Trade Receivables Turnover Ratio (In times) <sup>(5)</sup>	7.97	11.24	8.63
Inventory Turnover Ratio (In times) <sup>(6)</sup>	3.32	2.08	1.19
Trade Payables Turnover Ratio (In times) <sup>(7)</sup>	26.77	2.43	2.78
Net Capital Turnover Ratio (In times) <sup>(8)</sup>	4.54	8.43	4.29
Trade Receivables days <sup>(9)</sup>	46	32	42
Inventory days <sup>(10)</sup>	110	176	306
Trade Payable days <sup>(11)</sup>	14	150	131
Return on equity (%) <sup>(12)</sup>	50.26%	99.19%	-31.25%
Return on capital employed (%) <sup>(13)</sup>	40.49%	55.36%	-8.47
Debt-Equity Ratio (times) <sup>(14)</sup>	0.44	0.78	2.14
Working Capital Cycle (days) <sup>(15)</sup>	142	58	217
Net fixed asset turnover ratio (times) <sup>(16)</sup>	36.39	39.15	62.30
Current Ratio (times) <sup>(17)</sup>	2.09	2.03	1.26

As certified by our statutory auditor having peer review certificate M/sV K BESWAL & ASSOCIATES, Chartered Accountant vide their examination report dated Jun 14, 2025

Notes:

(1) Revenue from operation means revenue from sale of the products

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

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

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

(5) Trade receivable turnover is calculated Revenue from operation divided by average trade receivables

(6) Inventory turnover ratio is calculated Cost of goods sold divided by average inventory

(7) Trade Payable turnover ratio is calculated Net credit Purchase divided by average trade payable

(8) Net Capital Turnover Ratio is calculated revenue from operations divided by Average working capital (i.e. Total current assets less Total current liabilities)

(9) Trade receivable days is calculated as 365 divided by trade receivables turnover by for fiscal years

(10) Inventory days is calculated as 365 divided by Inventory turnover by for fiscal years

(11) Trade payable days is calculated as 365 divided by Trade Payable turnover by for fiscal years

(12) Return on Equity is calculated by Profit for the year less Preference dividend (if any) divided by average total equity

(13) Return on Capital Employed is calculated as follows: Profit before tax plus finance cost divided by Total Asset - Current Liabilities (net))

(14) Debt to Equity ratio is calculated as Total Debt divided by equity

(15) Working Capital Cycle is defined as trade receivable days plus inventory days less trade payable days

(16) Net fixed asset turnover ratio is calculated by dividing net sales by the average fixed assets

(17) Current Ratio is calculated by dividing Current assets to Current Liabilities

## Significant Developments After March 31, 2025 that may affect our future results of operations

After the date of last Balance sheet i.e. March 31, 2025, the following material events have occurred after the last audited period:

On 5th April 2025, the Board of Directors convened to consider and approve several key matters. These included the

appointment of a Company Secretary, the induction of Mr. Ruman Agrawal as an Additional Director, and the appointment of Mr. Shreyash Jain as Chief Human Resource Officer (CHRO). The Board also approved the remuneration payable to Mr. Yogendra Vashishta, Chief Strategy Officer (CSO), and granted approval for the issue of bonus shares.

Other significant decisions taken during the meeting included the acquisition of property, obtaining the Director Identification Number (DIN) for Mr. Tejpal Singh, and availing a cash credit facility from Union Bank of India. The Board also approved related party transactions for FY 2025-26, received declarations from Directors in Form DIR-8 and MBP-1, and authorized necessary filings and execution of agreements.

In line with these approvals, the Company completed statutory filings including Form DIR-12, DIR-3, and CHG-1.

Name of KMP	Designation	Date of Appointment on current position	Board Meeting held on
RUMAN KAILASH AGARWAL	Additional Director	05/04/2025	05/04/2025
NIKITA DINESH CHANDAK	Company Secretary	05/04/2025	05/04/2025

- On **30th April 2025**, an Extraordinary General Meeting (EGM) was held to formally consider and approve the proposal for the issue of bonus shares and accordingly the resolution was filed in form MGT-14.
- On **2nd May 2025**, the Board met to allot the bonus shares approved earlier and filed form PAS-3.
- On **05<sup>th</sup> May 2025**, the Company has received approval for name change of the Company from “Encompass Design India Private Limited” to “Encompass Design India Limited”.
- On **7th May 2025**, the Board of Directors adopted the audited financial statements for the financial year 2024–25. The Board also recommended several key leadership appointments and designations, including the appointment of Mr. Amit Dalmia as Managing Director & Chairman, Mr. Ruman Agarwal and Mrs. Susmita Dalmia as Whole-Time Directors (WTDs), Ms. Himanshi Tiwari and Mr. Saahil Dugar as Independent Directors, and Mr. Tarak Nagda as Chief Financial Officer (CFO).

Additionally, the Board approved resolutions pursuant to Sections 180(1)(a), 180(1)(c), and 186 of the Companies Act, fixed the sitting fees payable to Non-Executive Directors, and resolved to convene an Extraordinary General Meeting (EGM) on 30th May 2025.

All requisite statutory filings, including Form MGT-14, MR-1, and DIR-12, were duly prepared and submitted.

- On **19th May 2025**, the Board appointed Mr. Tejpal Singh as Additional Director and recommended to regularise him as a Non-Executive Director. The MBP-1 and DIR-8 for Mr. Amit Dalmia were noted, and discussed to convene an EGM 11/06/2025.
- On **30th May 2025**, an Extraordinary General Meeting (EGM) was held to approve the appointment of key directors, including Mr. Amit Dalmia as Managing Director & Chairman, Mr. Ruman Agarwal and Mrs. Susmita Dalmia as Whole-Time Directors (WTDs), and Ms. Himanshi Tiwari and Mr. Saahil Dugar as Independent Directors.

The meeting also approved the Company’s borrowing and investment powers pursuant to Sections 180(1)(a), 180(1)(c), and 186 of the Companies Act, 2013.

Subsequent to the approvals, the Company completed the necessary statutory filings, including Form MGT-14 and DIR-12, in respect of these resolutions.

Name of Director	DIN No.	Designation	Date of Appointment on current position	Date of Resignation	Shareholders/ Board Resolution passed on
AMIT DALMIA	00210919	Managing Director	30-05-2025	NA	30-05-2025
SUSMITA AMIT DALMIA	02401290	Whole-time director	30-05-2025	NA	30-05-2025
RUMAN KAILASH AGARWAL	11004779	Whole-time director	30-05-2025	NA	30-05-2025
HIMANSHI TIWARI	10545195	Independent director	30/05/2025	NA	30/05/2025
SAAHIL	01186726	Independent director	30/05/2025	NA	30/05/2025

PRAKASHDUGAR					
TARAK AMRUTLAL NAGDA		CFO	07/05/2025	NA	30-05-2025

7. On **9th June 2025**, two separate Board Meetings were held. In the first, the Board approved the formation of committees, various policies, and the purchase of property.. In the second meeting held later the same day, the Board approved the restated financials for the IPO, Initial Public Offering of Equity shares of the Company and convening of EGM on 03/07/2025. MGT-14 was also filed for Board Resolution and shareholders resolution passed on 09/06/2025 and 03/07/2025 respectively.
8. On 9<sup>th</sup> June, 2025, Audit Committee Meeting was also held for approval of restated financials of IPO and KPI Certificates
9. On **11th June 2025**, an EGM was held to regularize the appointment of Mr. Tejpal Singh as Non-Executive Director and accordingly form DIR-12 and MGT -14 was filed.

Name of Director	Designation	Date of Appointment on current position	Board Meeting held on
TEJPAL SINGH	Non- Executive Director	<b>11th June 2025</b>	19/05/2025

#### Statement of Significant Accounting Policies

The notes to the Restated Summary Statements included in this Draft Red Herring Prospectus contain a summary of our significant accounting policies. For details relating to our significant accounting policies, see *Significant Accounting Policies – Notes 2 -Restated Financial Information*” beginning on page 205 of the Draft Red Herring Prospectus.

#### Basis of Measurement and Basis of Preparation of our Restated Financial Statements

The restated financial information has been prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (“GAAP”) and comply with the mandatory Accounting Standards (“AS”) specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013 (‘the Act’). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

The financial statements have been prepared on a historical cost convention and accrual basis. The financial statements have been prepared on a going concern basis and the accounting policies are applied consistently to all the periods presented in the financial statement.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle (twelve months) and other criteria set out in Division I of Schedule III to the Act.

The restated financial information has been prepared by the management to comply in all material respects with the requirements of:

- a) Section 26 of Part I of Chapter III of the Act, 2013;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the “Guidance Note”).

#### Functional and Presentation Currency

The financial statements are presented in the currency INR, which is the functional and presentation currency of the Company.

## Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

## Segment Reporting

The Company is primarily engaged in the manufacturing and export of its Textile and Sauces Food brands, with additional involvement in the trading of various products. In view of above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS -17 is not applicable to the Company.

## Principle Components of our Restated Statement of Assets & Liabilities

### Fiscal 2025 Compared with Fiscal 2024:

Particulars	For the year ended March 31,		Increase/ (Decrease)	
	2025	2024	Amount	%
<b>Liabilities</b>				
Long-Term Borrowings	308.69	593.26	-284.57	-47.97%
Short-Term Borrowings	1,117.25	212.14	905.11	426.66%
Trade Payables	90.74	141.05	-50.31	-35.67%
			-	
<b>Assets</b>			-	
Non-current investments	0.10		0.10	0.00%
Long-term loans and advances	37.15	36.46	0.70	1.91%
Inventories	1,086.87	509.38	577.50	113.37%
Trade Receivables	894.25	476.94	417.31	87.50%

### Long-Term Borrowings

Long-term borrowings decreased from **₹593.26 lakhs** in FY 2024 to **₹308.69 lakhs** in FY 2025, registering a **decline of ₹284.57 lakhs (-47.97%)**. This reduction is due to repayment of loan.

### Short-Term Borrowings

Short-term borrowings increased significantly from **₹212.14 lakhs** in FY 2024 to **₹1,117.25 lakhs** in FY 2025, showing a rise of **₹905.11 lakhs (426.66%)**. This change is primarily attributed to **fresh ICD borrowings of ₹1,100 lakhs** during the year for purchasing the assets and inventories.

### Trade Payables

Trade payables decline from **₹141.05 lakhs** in FY 2024 to **₹90.74 lakhs** in FY 2025, registering a **decline of ₹50.31 lakhs (35.67%)**. The company has focused on strengthening supplier relationships by shortening the payment cycle and availing early payment discounts where feasible. Additionally, better inventory planning and a calibrated procurement strategy led to reduced outstanding payables at year-end.

Particulars	For the year ended March 31,	
	2025	2024
Purchases of Stock in Trade	3,102.71	996.14
Average Trade Payable	115.89	410.24
Trade Payables Turnover Ratio	26.77	2.43
Trade Payables Days	14.00	150.00

### Assets

#### Non-Current Investments

Non-current investments stood at **₹0.10 lakhs** in FY 2025, compared to Nil in FY 2024, reflecting a small investment made during the year.

### Long-Term Loans and Advances

These slightly decreased from **₹36.46 lakhs** to **₹37.15 lakhs**, showing a marginal reduction of **₹0.70 lakhs (1.91%)**.

### Inventories

Inventories increased from **₹509.38 lakhs** in FY 2024 to **₹1,086.87 lakhs** in FY 2025, representing a significant rise of **₹577.50 lakhs (113.37%)**. The increase was in line with business expansion and a strategy to maintain broader stock availability.

### Trade Receivables

Trade receivables grew from **₹476.94 lakhs** to **₹894.25 lakhs**, recording an increase of **₹417.31 lakhs (87.50%)**, aligning with higher credit sales and growth in revenue from operations.

Particulars	For the year ended March 31,	
	2025	2024
Revenue from operations	5,464.94	4,004.18
Trade receivables	894.25	476.94
<b>Average trade receivables</b>	<b>685.60</b>	<b>356.21</b>
<b>Trade Receivables Days</b>	<b>46.00</b>	<b>32.00</b>

### Fiscal 2024 Compared with Fiscal 2023:

Particulars	For the year ended March 31,		Increase/ (Decrease)	
	2024	2023	Amount	%
<b>Liabilities</b>				
Long-Term Borrowings	593.26	716.90	-123.64	-17.25%
Short-Term Borrowings	212.14	30.16	181.98	603.36%
Trade Payables	141.05	679.42	-538.37	-79.24%
			-	
<b>Assets</b>			-	
Long-term loans and advances	36.46	15.08	21.38	141.75%
Inventories	509.38	1286.13	-776.75	-60.39%
Trade Receivables	476.94	235.48	241.46	102.54%

### Liabilities

#### Long-Term Borrowings

Long-term borrowings decreased from **₹716.90 lakhs** in FY 2023 to **₹593.26 lakhs** in FY 2024, reflecting a reduction of **123.64 lakhs**, or **17.25%**. This reduction is primarily due to loan repayments.

#### Short-Term Borrowings

Short-term borrowings increased significantly from **₹30.16 lakhs** in FY 2023 to **₹212.14 lakhs** in FY 2024, marking a rise of **₹181.98 lakhs** or **603.36%**. The increase suggests enhanced reliance on short-term working capital funding.

#### Trade Payables

Trade payables declined from **₹679.42 lakhs** in FY 2023 to **₹141.05 lakhs** in FY 2024, showing a significant reduction of **₹538.37 lakhs**, or **-79.24%**. This sharp decline indicates stronger cash flow management, early settlements, or reduction in outstanding supplier dues.

Particulars	For the year ended March 31,	
	2024	2023
Purchases of Stock in Trade	996.14	1,656.58
Average Trade Payable	410.24	595.71
<b>Trade Payables Turnover Ratio</b>	<b>2.43</b>	<b>2.78</b>
<b>Trade Payables Days</b>	<b>150.00</b>	<b>131.00</b>



## Assets

### Long-Term Loans and Advances

Long-term loans and advances increased from **₹15.08 lakhs** in FY 2023 to **₹36.46 lakhs** in FY 2024, reflecting an increase of **₹21.38 lakhs**, or **141.75%**. This rise may be attributed to increased security deposit paid for new lease premises.

### Inventories

Inventories decreased from **₹1,286.13 lakhs** in FY 2023 to **₹509.38 lakhs** in FY 2024, reflecting a reduction of **₹776.75 lakhs**, or **-60.39%**. The drop may be due to faster inventory turnover, reduction in slow-moving goods, or realignment of stock levels with demand.

### Trade Receivables

Trade receivables increased from **₹235.48 lakhs** in FY 2023 to **₹476.94 lakhs** in FY 2024, representing a rise of **₹241.46 lakhs**, or **102.54%**. This increase aligns with higher credit sales and growth in operations.

Particulars	For the year ended March 31,	
	2024	2023
Revenue from operations	5,464.94	4,004.18
Trade receivables	894.25	476.94
<b>Average trade receivables</b>	<b>685.60</b>	<b>356.21</b>
<b>Trade Receivables Days</b>	<b>46.00</b>	<b>32.00</b>

## SUMMARY OF THE RESULTS OF OPERATION:

The following table sets forth select financial data from restated profit and loss accounts for the financial years ended on 31st March 2025, 31st March 2024 and 31st March 2023 and the components of which are also expressed as a percentage of total income for such periods.

Particulars	March 31, 2025	% of Total Income	March 31, 2024	% of Total Income	March 31, 2023	% of Total Income
Revenue from operations	5,464.94	99.34%	4,004.18	99.74%	2,162.47	99.70%
Other income	36.25	0.66%	10.56	0.26%	6.61	0.30%
<b>Total Income</b>	<b>5,501.19</b>	<b>100.00%</b>	<b>4,014.74</b>	<b>100.00%</b>	<b>2,169.09</b>	<b>100.00%</b>
<b>Expenses</b>						
Purchase of stock in trade	2,569.76	46.71%	1,052.76	26.22%	1,875.89	86.48%
Change in Inventories of work in progress, finished goods and Stock in Trade	83.19	1.51%	813.07	20.25%	-609.66	-28.11%
Employee Benefit Expenses	466.83	8.49%	401.75	10.01%	392.45	18.09%
Finance Costs	31.63	0.57%	31.30	0.78%	6.50	0.30%
Depreciation and Amortisation	227.73	4.14%	172.69	4.30%	153.84	7.09%
<b>Other Expenses</b>	<b>658.74</b>	<b>11.97%</b>	<b>615.24</b>	<b>15.32%</b>	<b>447.73</b>	<b>20.64%</b>
<b>Total expenses</b>	<b>4,037.86</b>	<b>73.40%</b>	<b>3,086.81</b>	<b>76.89%</b>	<b>2,266.74</b>	<b>104.50%</b>
<b>Profit/(Loss) Before Exceptional &amp; extraordinary items</b>	<b>1,463.32</b>	<b>26.60%</b>	<b>927.94</b>	<b>23.11%</b>	<b>-97.66</b>	<b>-4.50%</b>
<b>Profit/(Loss) Before Tax</b>	<b>1,463.32</b>	<b>26.60%</b>	<b>927.94</b>	<b>23.11%</b>	<b>-97.66</b>	<b>-4.50%</b>
<b>Tax Expense:</b>						
Tax Expense for Current Year	368.65	6.70%	61.57	1.53%	-	0.00%

Deferred Tax	15.29	0.28%	178.47	4.45%	31.81	1.47%
Short/(excess) provision for income tax of earlier year	-	0.00%	-	0.00%	-	0.00%
<b>Net Current Tax Expenses</b>	383.94	6.98%	240.04	5.98%	31.81	1.47%
<b>Profit/(Loss) for the Year</b>	1,079.38	19.62%	687.90	17.13%	-129.46	-5.97%

*As certified by our statutory auditor having peer review certificate M/sV K BESWAL & ASSOCIATES, Chartered Accountant vide their examination report dated Jun 09, 2025.*

For the financial year ended 31st March 2025, we generated a total income of INR 5,501.19 Lakhs, EBITDA (operating profit) of INR 1,686.43 Lakhs and net profit after tax of INR 1,079.38Lakhs. In the Fiscal 2024 and Fiscal 2023 we generated total income of 4,014.74 Lakhs and 2,169.09 Lakhs respectively, EBITDA (operating profit) of ₹1121.36 Lakhs and ₹56.07 Lakhs respectively and net profit after tax of ₹687.90lakhs and ₹(-129.46) Lakhs respectively. We have reported Return on Net Worth of 33.13%, 66.30 % and (37.03) for the Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively Revenue from operations grew from ₹4,014.74 Lakhs in FY 2023-24 to ₹5,464.94 Lakhs in FY 2024-25, marking an increase of ₹1486.45 Lakhs (37.02% for the said period). Correspondingly, Profit after Tax (PAT) surged from ₹687.90Lakhs to ₹1,079.38Lakhs, as per the restated financial statements. This growth was primarily driven by higher revenue from operations. Additionally, the company implemented cost-reduction measures.

## **MAIN COMPONENTS OF PROFIT AND LOSS ACCOUNT**

### **Total Income**

Our total income comprises of Revenue from Operations and Other Income.

### **Revenue from Operations**

The Company is primarily engaged in the manufacturing and export of its Textile and Sauces Food brands, with additional involvement in the trading of various products

### **Other Income**

Our other income primarily comprises interest income on Fix Deposit, commission & Other Misc income.

### **Expenditure**

Our total expenditure primarily consists of Purchase of Stock-in-Trade, Change in Inventories, Employee Benefit Expenses, Other Expenses, Depreciation & Amortisation Expenses and Financial Charges.

### **Purchase of Stock-in-Trade**

The purchase of stock-in-trade refers to the acquisition of goods or products that is acquired for the purpose of selling them in the ordinary course of business.

### **Change in Inventories**

"Change in Inventories" refers to the difference between the opening and closing balances of inventory within a specific period.

### **Employee Benefit Expenses**

Employee benefit expenses comprise of Directors Remuneration, Salaries, Wages & Bonus, ESI & PF Contributions and Provision for Gratuity.

### **Other Expenses**

During the financial year, the Company incurred various operational and administrative expenses essential for the smooth execution of projects and ongoing business operations. These other expenses include a wide range of cost heads such as Rent, Rates & Taxes, Business Promotion and Advertising, Office Expenses, Printing & Stationery, Professional Fees, Travelling Expenses, and Electricity Charges. Further, expenses were also recorded under Interest on MSME, Repairs and Maintenance, Mobile & Internet Charges, Postage & Courier Services, Software Licensing and Certifications, Insurance, and Foreign Exchange Gain/Loss. Additionally, the Company incurred costs towards Commission & Brokerage, Audit Fees, Labour Loading & Unloading Charges, Miscellaneous Expenses, and Sundry Balances Written Off.

### **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses comprises of depreciation on the Tangible/Intangible assets of our company.

### **Financial Charges**

Financial Charges comprises of Interest on Secured Loan, Interest On Unsecured Loan and Loan Processing charges.

### ***Provision for Taxation***

The provision for current tax is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## **COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2025 WITH FISCAL 2024**

### **Total Income:**

The company achieved a total income of ₹5,501.19 lakhs, representing a substantial increase of approximately 37.02% over the previous year's total income of ₹4,014.74 lakhs. This remarkable growth was driven by the expansion in domestic manufacturing activities, where the company enhanced its production capacity and broadened its product offerings. Additionally, trading operations expanded significantly due to a wider market outreach and on boarding of new clients. A substantial rise in service income, especially from domestic projects, indicated greater diversification of revenue streams. The company also benefitted from improved operational efficiency, timely execution of contracts, and a more focused approach to business development through strategic partnerships and enhanced brand visibility.

### **Revenue from Operations:**

Revenue from Operation Rose to ₹5,464.94 lakhs in FY 2025 from ₹4,004.18 lakhs in FY 2024, registering an impressive increase of 36.48%. This growth was led by a rise in domestic manufacturing sales, which reached ₹1,400.14 lakhs in FY 2025 compared to ₹854.42 lakhs in the previous year, reflecting expanded capacity and the launch of new products. Trading revenues also increased to ₹2,791.87 lakhs from ₹2,200.36 lakhs, while the gated market segment contributed ₹762.70 lakhs, up from ₹685.05 lakhs. Furthermore, service income surged to ₹510.23 lakhs from ₹264.35 lakhs, driven by successful project executions and increased billing from ongoing contracts.

### **Other Income:**

For FY 2025 stood at ₹36.25 lakhs, showing a steep rise of 243.28% over ₹10.56 lakhs in FY 2024. The growth was attributed to a significant jump in commission income, which increased to ₹15.01 lakhs from a negligible ₹0.03 lakhs, due to higher earnings from agency and brokerage activities. Additionally, the company reversed MSME interest provisions worth ₹4.55 lakhs, and other miscellaneous income rose to ₹14.44 lakhs from ₹1.56 lakhs, reflecting one-time recoveries and sundry receipts.

### **Total Expenses:**

For FY 2025 were ₹4,037.86 lakhs, up 30.81% from ₹3,086.81 lakhs in FY 2024. The primary reason for this increase was the sharp rise in the cost of materials consumed, which grew to ₹2,569.76 lakhs from ₹1,052.76 lakhs, driven by increased procurement to meet higher production demand. Employee benefit expenses also rose to ₹466.83 lakhs from ₹401.75 lakhs, due to workforce expansion, salary revisions, and higher welfare costs. Depreciation and amortization expenses climbed to ₹227.73 lakhs from ₹172.69 lakhs, owing to the capitalization of new property, plant, and equipment, as well as intangibles. Other operating expenses grew moderately to ₹658.74 lakhs from ₹615.24 lakhs, reflecting increased expenditure on rent, marketing, professional fees, and other day-to-day operations. Finance costs increased slightly to ₹31.63 lakhs from ₹31.30 lakhs, mainly due to incremental interest on borrowings raised for working capital and capital expenditures.

### **Purchases:**

Purchases for the financial year 2024–25 amounted to ₹3,102.71 lakhs, as compared to ₹996.14 lakhs in FY 2023–24, representing an increase of 211.47%. This sharp rise was driven by higher raw-material procurements to support the expanded scale of manufacturing operations.

### **Changes in Inventories of Finished Goods, WIP & Stock in Trade:**

For FY 2024–25, the net increase in inventories of finished goods, work in progress, and stock in trade was ₹83.19 lakhs, compared with ₹813.07 lakhs in FY 2023–24, reflecting an 89.77% reduction; this decline was driven by stronger sales off take of finished goods, accelerated conversion of WIP into saleable output, and tighter better inventory management that prevented the build-up of excess stock.

### **Employee benefits expense:**

For FY 2024–25, employee benefit expense stood at ₹466.83 lakhs, up from ₹401.75 lakhs in FY 2023–24, representing an increase of 16.20%, which was primarily driven by salary revisions and increments, expansion of the workforce to support higher operational volumes, increased provisions for gratuity and staff welfare, and higher performance linked incentives.

### **Finance costs:**

For FY 2024–25, finance costs amounted to ₹31.63 lakhs, compared with ₹31.30 lakhs in FY 2023–24, representing a modest increase of 1.05%, which was chiefly due to incremental interest on short term and long term borrowings taken to fund working capital requirements and capital expenditures.

**Depreciation and Amortization Expenses:**

For FY 2024–25, depreciation and amortization expense amounted to ₹227.73 lakhs, up from ₹172.69 lakhs in FY 2023–24, representing an increase of 31.85%, primarily due to the capitalization of new property, plant and equipment, as well as higher amortization of newly recognized intangible assets (including brand-related intangibles and software) commissioned during the year

**Other Expenses:**

For FY 2024–25, other expenses totalled ₹658.74 lakhs, up from ₹615.24 lakhs in FY 2023–24, representing an increase of 7.08%, which was mainly driven by higher rent, rate & taxes to support expanded facilities; increased commission & brokerage on higher sales volumes; elevated postage & courier charges reflecting greater dispatch activity; higher software and certification costs; and incremental spending on business promotion, professional fees, repairs & maintenance, and miscellaneous sundry expenses as the Company scaled up operations.

**Restated Profit/ (Loss) before tax:**

For FY 2024–25, the restated profit before tax stood at ₹1,463.32 lakhs, as against ₹927.94 lakhs in FY 2023–24, marking an increase of ₹535.38 lakhs or 57.70%. This significant growth was driven by higher revenue from operations, improved gross margins, and better cost efficiency, despite a moderate rise in total expenses associated with the expansion of business activities.

**Restated Profit/ (Loss) after tax:**

For FY 2024–25, the restated profit after tax stood at ₹1,079.38 lakhs, compared to ₹687.90 lakhs in FY 2023–24, representing an increase of ₹391.48 lakhs or 56.91%. This improvement was primarily attributable to higher operating income, effective cost management, and stable finance costs, which together contributed to stronger net profitability for the year.

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2024 WITH FISCAL 2023**

**Total Income:**

Restated Total Income for the financial year 2023–24 stood at ₹4,014.74 lakhs, as compared to ₹2,169.09 lakhs in 2022–23. This represents a year-on-year increase of ₹1,845.65 lakhs, or 85.09%

**Revenue from Operations:**

Revenue from Operation Rose to ₹4,004.18 lakhs in FY 2024 from ₹2162.4 lakhs in FY 2023, registering an impressive increase of 85.17%. This growth was led by a rise in domestic manufacturing sales, which reached. Own Brand Revenue more than doubled (+177.79%) due to enhanced in-house manufacturing and stronger demand for proprietary products. Trading Revenue grew by 79.95%, reflecting broader distribution, diversified sourcing, and strong client orders. Service Income grew by 5.13%, as the focus shifted toward product-based revenue streams. Export Sales contributed ₹237.84 lakhs in FY 2023–24, highlighting the Company's successful entry into international markets (not present in FY 2022–23).

**Other Income:**

Other income for FY 2023–24 stood at ₹10.56 lakhs, as against ₹6.61 lakhs in FY 2022–23, marking a growth of 59.76%. The increase was primarily driven by: A sharp rise in interest income to ₹8.98 lakhs from ₹0.54 lakhs, due to better fund deployment and interest earned on deposits.

**Total Expenses:**

Total Expenses for the financial year 2023–24 stood at ₹3,086.81 lakhs, as compared to ₹2,266.74 lakhs in FY 2022–23, marking a significant increase of ₹820.07 lakhs or 36.19%. This growth in expenses was primarily attributed to a higher cost of materials consumed, driven by increased project execution and greater production volumes. Employee benefit expenses also rose due to expansion of the workforce and the implementation of annual salary revisions. In addition, depreciation and amortization expenses increased on account of new additions to both fixed assets and intangible assets. Other expenses, including administrative, operational, and project-related costs, grew in tandem with the company's expanding scale of operations and overall business growth.

**Purchases:**

During the financial year 2023–24, the Company recorded purchases of stock-in-trade amounting to ₹996.14 lakhs, as compared to ₹1656.58 lakhs in 2022–23, reflecting a marginal increase of ₹5.06 lakhs or 0.51%. Despite the substantial growth in revenue, the purchases remained largely stable, indicating improved procurement efficiency and better inventory

management. The minimal increase suggests a strategic shift towards greater reliance on in-house manufacturing and cost optimization in sourcing, which contributed to maintaining profitability while scaling operations.

#### **Employee benefits expense:**

During the financial year 2023–24, the Company incurred employee benefits expense amounting to ₹401.75 lakhs, as compared to ₹392.45 lakhs in the previous financial year 2022–23, reflecting a growth of 31.13%. The increase was primarily attributable to annual salary revisions, performance-linked incentives, and a strategic expansion in the workforce to support the Company's growing operations. Additionally, higher provisions for gratuity and employee welfare expenses contributed to the overall increase. This upward trend underscores the Company's continued investment in talent and human capital aligned with its business growth trajectory.

#### **Finance costs:**

During the financial year 2023–24, the Company's finance costs stood at ₹31.30 lakhs, marginally higher than ₹6.50 lakhs incurred in 2022–23, reflecting an increase of 10.37%. This rise was primarily due to higher utilization of working capital facilities and short-term borrowings to support the increased scale of operations. Despite the growth in business volumes, the finance costs remained well-managed, indicating prudent financial planning and effective cost control on interest-bearing obligations.

#### **Depreciation and Amortization Expenses:**

During the financial year 2023–24, the Company incurred depreciation and amortization expenses of ₹172.69 lakhs, compared to ₹153.84 lakhs in 2022–23, representing an increase of 39.51%. This rise was primarily due to capitalization of new property, plant and equipment as well as intangible assets, including software and brand-related assets, in line with the expansion of operations. The increase reflects the Company's ongoing investments in infrastructure and digital assets to support future scalability and operational efficiency.

#### **Other Expenses:**

During the financial year 2023–24, the Company incurred other expenses amounting to ₹615.24 lakhs, as against ₹484.95 lakhs in 2022–23, registering an increase of 26.84%. This increase was primarily driven by higher spending on rent, rates and taxes, business promotion, professional fees, and travel-related costs, in line with the overall growth in business operations. Additionally, increased repairs and maintenance, utility charges, and software and certification expenses contributed to the rise. The escalation in other expenses reflects the Company's continued focus on expanding operational capabilities while maintaining compliance and service standards.

#### **Restated Profit/ (Loss) before tax:**

Profit before tax for FY 2023–24 stood at ₹927.94 lakhs, as compared to ₹(97.66) lakhs in FY 2022–23. This reflects a year-on-year increase of ₹1025.60 lakhs, or 1050.17%. The growth was primarily due to: Substantial increase in revenue from operations, supported by expanded business activity. Improved gross margins from better cost efficiencies and project execution. Controlled growth in operating and finance costs, despite a higher scale of operations.

#### **Restated Profit/ (Loss) after tax:**

Profit after tax for FY 2023–24 stood at ₹687.90 lakhs, compared to ₹(129.46) lakhs in FY 2022–23. This represents a growth of ₹817.36 lakhs, or 631.36% year-on-year. The increase was primarily driven by: Strong revenue growth from core business segments (own brand and trading) Improved gross margins through efficient procurement and execution. Better operational cost control despite the rise in overall expenses.

#### **Cash Flow Data based on our Restated Financial Statements**

The following table presents our cash flow data for the years ended March 31, 2025, 2024 and 2023 from our Restated Financial Statements

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Profit before tax	1463.32	927.94	(97.66)
Operating Profit Before Working Capital Changes	1722.67	1131.93	62.68
Income taxes paid	(142.55)	(61.56)	0.00
Net Cash from Operating Activities	473.80	650.29	312.08
Net Cash from Investing Activities	(991.18)	(656.55)	(71.89)
Net Cash from Financing Activities	1738.03	29.89	(283.79)

#### ***Cash Flows from Operating Activities***

**For the year ended March 31, 2025,**

The company reported a net cash outflow of ₹473.80 lakhs from operating activities. Profit before tax of ₹1463.32 lakhs and operating profit before working capital changes of ₹1722.67 lakhs, the business experienced significant working capital pressure. This was largely due to a substantial increase in current assets such as inventories, trade receivables, and loans & advances. Additionally, higher income tax payments amounting to ₹142.55 lakhs further reduced the operating cash flow. Overall, the increase in operational requirements outpaced the company's profitability, resulting in negative cash flow.

**For the year ended March 31, 2024,**

The company generated a positive cash flow from operating activities amounting to ₹650.29 lakhs. With a profit before tax of ₹927.94 lakhs and operating profit before working capital changes of ₹1131.93 lakhs, the company benefited from more efficient working capital management. Lower income tax payments of just ₹61.56 lakhs and a reduction in loans and advances helped in improving liquidity. This year reflected an optimal balance between profitability and operational efficiency.

**For the year ended March 31, 2023,**

The company recorded a modest net cash inflow of ₹312.08 lakhs from operating activities. Although loss before tax was (₹97.66) lakhs, the operating profit before working capital changes stood at ₹62.68 lakhs. The low scale of operations resulted in minimal working capital changes. While the business operated on a smaller scale, it maintained a stable cash position from core operations.

***Cash Flows from Investment Activities***

**For the year ended March 31, 2025,**

The company reported a net cash outflow of ₹991.18 lakhs from investing activities. This was primarily due to the purchase of property, plant, and equipment along with intangible assets amounting to ₹990.48 lakhs. However, the impact of this capital expenditure was partially offset by the realization of long-term loans amounting to ₹0.70 lakhs to security deposit for leased warehouse premises.

**For the year ended March 31, 2024,**

The company reported a net cash outflow of ₹656.55 lakhs from investing activities. This was primarily due to the purchase of property, plant, and equipment along with intangible assets amounting to ₹635.17 lakhs. However, the impact of this capital expenditure was partially offset by the realization of long-term loans amounting to ₹21.37 to security Deposit of leased office premises.

**For the year ended March 31, 2023,**

The company reported a net cash outflow of ₹71.89 lakhs from investing activities. This was primarily due to the purchase of property, plant, and equipment along with intangible assets amounting to ₹58.94 lakhs. However, the impact of this capital expenditure was partially offset by the realization of long-term loans amounting to ₹12.95 paid to security Deposit of leased office premises

***Cash Flows from Financing Activities***

**For the year ended March 31, 2025,**

The company reported a net cash outflow of ₹1738.08 lakhs from financing activities. This was primarily due to the repayment of long-term borrowings amounting to ₹284.57 lakhs and interest payments of ₹31.63 lakhs. Although the company raised ₹905.11 lakhs through short-term borrowings during the year, it was not sufficient to offset the overall financing outflows. The interest burden and debt repayments led to a significant cash drain from financing sources. On the inflow side, the company received ₹1140.79 lakhs from the issue of share capital.

**For the year ended March 31, 2024,**

The company reported a net cash outflow of ₹29.89 lakhs from financing activities. This was primarily due to the repayment of long-term borrowings amounting to ₹123.64 lakhs interest payments of ₹31.30 lakhs although the company raised ₹181.98 lakhs through short-term borrowings during the year.

**For the year ended March 31, 2023,**

The company reported a net cash outflow of ₹(283.79) lakhs from financing activities. This was primarily due to the repayment of long-term borrowings amounting to ₹ 308.10 lakhs interest payments of ₹6.50 lakhs although the company raised ₹28.10 lakhs through short-term borrowings during the year

**Significant dependence on a single or few Suppliers or Customers**

Significant proportion of our purchases have historically been derived from a limited number of suppliers. The % of Contribution of our supplier's *vis a vis* the total purchases for the financial year ended March 31, 2025, 2024 and 2023 are as follows:

(₹ in Lakhs, otherwise mentioned)

Particulars	Suppliers					
	March 31, 2025		March 31, 2024		March 31, 2023	
	Amount	%	Amount	%	Amount	%
<b>Top 1</b>	414.31	13.35%	150.03	15.06%	91.85	5.54%
<b>Top 5</b>	1339.69	43.18%	409.53	41.11%	363.12	21.92%
<b>Top 10</b>	1555.9	50.15%	473.53	47.54%	526.96	31.81%

We do not depend on a limited number of customers. The % of Contribution of our Customers *vis a vis* the total revenue for the financial year ended March 31, 2025, 2024 and 2023 are as follows:

(₹ in Lakhs, otherwise mentioned)

Particulars	Customer					
	March 31, 2025		March 31, 2024		March 31, 2023	
	Amount	%	Amount	%	Amount	%
<b>Top 1</b>	626.75	11.47%	905.65	22.62%	430.05	19.89%
<b>Top 5</b>	2378.67	43.53%	2516.77	62.85%	1435.76	66.39%
<b>Top 10</b>	3635.90	66.53%	3119.92	77.92%	1770.61	81.88%

**Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

***1. Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

***2. Significant economic changes that materially affected or are likely to affect income from continuing operations.***

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

***3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section “Risk Factors” beginning on page 28 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

***4. Future changes in relationship between costs and revenues***

Other than as described in the sections “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 28, 128 and 236 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

***5. Total turnover of each major industry segment in which our Company operates***

The Company is primarily engaged in the manufacturing and export of its Textile and Sauces Food brands, with additional involvement in the trading of various products



## ***6. Status of any publicly announced New Products or Business Segment***

Except as disclosed in the Chapter ***“Our Business”*** on page 128, our Company has not announced any new product or service.

## ***7. Seasonality of business***

Our business is not subject to seasonality however comparatively more sales are booked in quarter 3<sup>rd</sup> and quarter 4<sup>th</sup>. For further information, see ***“Industry Overview”*** and ***“Our Business”*** on pages 112 and 128, respectively.

## ***8. Dependence on single or few customers***

Substantial portion of our revenues has been dependent upon few customers. For the fiscal 2025, 2024, 2023, our top ten customers have contributed 66.53%, 77.92%, 81.88% of our revenues respectively. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business, we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification. For further details, refer Risk Factor ***“Our top ten customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.”*** In our business section beginning on page 128 of this Draft Red Herring Prospectus.

## ***9. Competitive conditions***

Competitive conditions are as described under the Chapters ***“Industry Overview”*** and ***“Our Business”*** beginning on pages 112 and 128 respectively of this Draft Red Herring Prospectus.

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## **SECTION X – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("Relevant Parties"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.*

*Our Board, in its meeting held on June 09, 2025 determined that outstanding legal proceedings involving the Company, its directors and Promoters will be considered as material litigation if –*

- i) As per the policy of materiality defined by the board of directors of the issuer and disclosed in the offer document; or*
- (ii) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:*
  - (a) two percent of turnover, as per the latest annual restated consolidated financial statements of the issuer; or*
  - (b) two percent of net worth, as per the latest annual restated consolidated financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or*
  - (c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer.*
- (iii) All criminal proceedings involving key managerial personnel and senior management of the issuer and also the actions by regulatory authorities and statutory authorities against such key managerial personnel and senior management of the issuer shall also be disclosed.*

*Our Board, in its meeting held on June 09, 2025, for the purposes of disclosure pursuant to Para 12(A)(1) of Part A of Schedule VI of the SEBI Regulations and the Materiality Policy, following litigation are considered material for disclosure in Draft Prospectus/Prospectus of our Company: -*

- (i) All pending litigation involving our Company, holding, Directors, Promoters and Group Companies, other than criminal proceedings and statutory or regulatory actions, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of one percent (1.00%) of the profit after tax of our Company as per the last audited financial statement.*
- (ii) For the purposes of determining material litigation(s) involving our Directors in (i) above, our Board shall consider all outstanding litigation involving each Director and it believes that if any such litigation has an adverse outcome and therefore, would materially and adversely affect the reputation, operations or financial position of our Company, it shall be considered as material litigation and accordingly, each of our directors shall identify and provide information relating to such outstanding litigation involving themselves.*

#### **OUTSTANDING MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER, KMP'S AND SMP'S**

##### **1. LITIGATION INVOLVING COMPANY**

###### **a) Litigation proceedings against Company**

###### **1. Criminal Proceedings:**

As on the date of this Draft Red Herring Prospectus, there are no Criminal Proceedings initiated against Company.

###### **2. Actions taken by Statutory/Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no actions taken by statutory regulatory authorities initiated against Company.

###### **3. Tax Proceedings**

Tax proceedings initiated against Company are as below:

#### **DEMANDS RAISED BY THE INCOME TAX DEPARTMENT AND ITS CURRENT STATUS AGAINST**

1. Demand Outstanding for ₹1,36,030/- with accrued interest ₹2,720/- U/s 143 (1a) with Demand Reference No:2025202437356786552C for Assessment Year :2024 and Tax Payer is Disagreed with demand and Date of Demand Raised is 09-Apr-2025, rectification has been filed online on 16.06.2025.

**INCOME TAX NOTICE ISSUED AGAINST ENCOMPASS DESIGN INDIA LIMITED HAVING PAN AACCE3403E**

2. The Income Tax Department issued penalty notices under Section 271(1)(b) read with Section 274 of the Income Tax Act, 1961, to Encompass Design India Private Limited (PAN: AACCE3403E) for the Assessment Year 2016-17—first by the Assistant Commissioner of Income Tax, Circle 6(2)(2), Mumbai, vide Notice No. ITBA/PNL/S/271(1)(b)/2018-19/1014026815(1) dated 05/12/2018, for alleged non-compliance with a Section 142(1) notice dated 30/11/2018; and subsequently, by the National e-Assessment Centre, Delhi, via Show Cause Notice dated 19/03/2021 (DIN: ITBA/PNL/F/271(1)(b)/2020-21/1031611992(1)), referencing the same earlier default. In response, the taxpayer submitted that the Section 142(1) notice dated 30/11/2018 was received only on 05/12/2018, after the stated compliance date of 04/12/2018, and a detailed reply was duly filed on 06/12/2018. This response, dated 06/12/2018, addressed all points including financial projections and the company's business model. Moreover, the assessment was completed under Section 143(3) vide Order dated 15/12/2018 (Order No. ITBA/AST/S/143(3)/2018-19/1014310821(1)) accepting the return as filed—reporting a loss of ₹6,05,16,235/- and determining total income as NIL without any additions or disallowances. Citing these facts, including timely compliance upon receipt and no adverse finding in the assessment, the assessee, through its Chartered Accountants V.K. Beswal & Co., submitted a detailed representation dated 22/03/2021 requesting that the penalty proceedings under Section 271(1)(b) be dropped.
3. Adjustment u/s 143(1)(a) issued for Assessment Year : 2024-25 with Document Identification Number (DIN) : EFL/2425/G22/ITR000702173846 Issued On : 30-Oct-2024 and Prescribed Time Limit u/s 143(1)(a) for submission of response has lapsed. You are not allowed to submit now. However ITR processed with demand due on Apr 9, 2025.
4. Adjustment u/s 143(1)(a) issued for Assessment Year : 2021-22 with Document Identification Number (DIN) : EFL/2122/G22/ITR000101284605 Issued On : 17-May-2022 and Prescribed Time Limit u/s 143(1)(a) for submission of response has lapsed. You are not allowed to submit now. However ITR Processed with refund due on Oct 27, 2022.
5. Adjustment notice u/s 143(1)(a) for Assessment Year : 2019-20 with Document Identification Number (DIN) : CPC/1920/G22/1967280566 Issued On 19-Dec-2019 The CPC has proposed adjustments under section 143(1)(a) of the Income Tax Act. Firstly, there is a mismatch in Schedule BP between the amount debited to the profit and loss account and disallowable under section 36 [Sl. No. 14: ₹38,940] and the total disallowable amount under section 36 [Sl. No. 6.s: ₹93,480], resulting in a variance of ₹54,540. Secondly, under section 143(1)(a)(ii), an incorrect claim has been identified concerning employee contributions to provident or other specified funds under section 36(1)(va), where the return shows ₹0, but the computed amount is ₹54,540, leading to a proposed adjustment of ₹54,540. Lastly, under section 143(1)(a)(iv), there is a proposed disallowance of expenditure reported in the audit report but not considered while computing total income in the return and Prescribed Time Limit u/s 143(1)(a) for submission of response has lapsed. You are not allowed to submit now. However, ITR Processed with refund due May 12, 2020.

**GST TAX NOTICE ISSUED AGAINST ENCOMPASS DESIGN INDIA LIMITED HAVING GSTIN27AACCE3403E1Z7 FOR STATE - MAHARASHTRA, ZONE - MUMBAI\_NORTH, DIVISION - SAKINAKA**

1. The Maharashtra Goods and Services Tax Department has issued a scrutiny notice in Form GST ASMT-10 (Ref. No. B-658, Case ID: 22SCR01-27AACCE3403E1Z7) dated 19th December 2024, to Encompass Design India Private Limited (GSTIN: 27AACCE3403E1Z7) for the tax period 2022–23. The notice, issued by the Deputy Commissioner of State Tax, highlights discrepancies related to excess Input Tax Credit (ITC) claimed in GSTR-3B and GSTR-9, which is not corroborated by the data in GSTR-2A/2B. Specifically, a total excess ITC of ₹59,48,295.80 has been observed across various ITC categories including import of goods, reverse charge mechanism (RCM) transactions, ISD credits, and other B2B supplies.

The Maharashtra GST Department has issued a scrutiny notice (Reference No. ZD271224081314K, dated 19th December 2024) to Encompass Design India Private Limited (GSTIN: 27AACCE3403E1Z7) for the financial year 2022–2023 (April 2022 to March 2023) concerning the GSTR-9 return. The notice, issued under Section 61 of the MGST/CGST Act, 2017 read with Rule 99(1), highlights discrepancies identified during return scrutiny. The taxpayer has been directed to provide an explanation for the discrepancies mentioned.

**CURRENT STATUS: PENDING FOR REPLY BY TAXPAYER**

2. The Maharashtra GST Department issued a scrutiny notice in Form GST ASMT-10 (Reference No. ZD270124063545G, dated 25th January 2024) to Encompass Design India Private Limited (GSTIN: 27AACCE3403E1Z7) for the financial year 2021–2022 (April 2021 to March 2022), related to the GSTR-9 return. The notice was issued under Section 61 of the MGST/CGST Act, 2017 read with Rule 99, indicating discrepancies found during return scrutiny, the details of which are provided in the attached annexure. Deputy Commissioner of State Tax, directs the taxpayer to submit an explanation.

Encompass Design India Private Limited (GSTIN: 27AACCE3403E1Z7) submitted a reply in Form GST ASMT-11 (ARN: ZD270124069087C, dated 29th January 2024) in response to the scrutiny notice (Reference No. ZD270124063545G, dated 25th January 2024) issued under Section 61 of the MGST/CGST Act for the financial year 2021–2022. In the reply, the company clarified two key points: (1) ITC of ₹37,041.51 was availed in the current year pertaining to the previous year, and (2) an ITC reversal of ₹11,10,356, which was not considered in the notice. The response was submitted and verified by AmitDalmia, Director of the company, affirming the accuracy of the information provided.

An order dated 02/01/2025 bearing Reference No. ZD2701250088460 was issued by the Deputy Commissioner of State Tax, Sakinaka Division, Mumbai North, Maharashtra, to ENCOMPASS DESIGN INDIA PRIVATE LIMITED (GSTIN: 27AACCE3043E1ZT) for the tax period April 2021 to March 2022. The order pertains to SCN Reference No. ZD271124072362M dated 21/11/2024 and states that the proceedings under Section 73 of the GST Act have been dropped based on the assessee's reply and the information available on record.

3. The Maharashtra GST Department issued a scrutiny notice in Form GST ASMT-10 (Reference No. ZD270721035594B, dated 27th July 2021) to Encompass Design India Private Limited (GSTIN: 27AACCE3403E1Z7) for the financial year 2017–2018 (July 2017 to March 2018), related to the GSTR-3B return. The notice, issued under Section 61 of the CGST Act, highlights

discrepancies including: (i) excess ITC claimed in GSTR-3B/GSTR-9 not confirmed in GSTR-2A or 8A, (ii) ITC claimed on invoices filed by suppliers after the time limit under Section 16(4), and (iii) interest due on delayed tax payments in-GSTR-3B.

Encompass Design India Private Limited (GSTIN: 27AACCE3403E1Z7) submitted a reply in Form GST ASMT-11 (ARN: ZD2711210003529, dated 1st November 2021) in response to the scrutiny notice (Reference No. ZD270721035594B, dated 27th July 2021) issued under Section 61 of the CGST Act for the financial year 2017–2018 (July 2017 to March 2018). In the reply, the company stated that the liability had been paid via CPIN CNRB21112700003279 dated 1st November 2021, and an amount of ₹1,420.00 towards interest for February 2018 under IGST was admitted and paid.

An order dated 06/05/2022 bearing Reference No. ZD270522011087Q was issued by the State Tax Officer, Delisle Road Division, Mazgaon, Mumbai South East, Maharashtra, to ENCOMPASS DESIGN INDIA PRIVATE LIMITED (GSTIN: 27AACCE3043E1ZT) for the tax period July 2017 to March 2018. The order pertains to SCN Reference No. ZD270222102624W dated 24/02/2022 and states that the proceedings under Section 73 of the GST Act, based on provisions of Section 61 of the CGST Act, have been dropped after considering the assessee's reply and the available information on record. The order is signed by Savita Sham Sawant, State Tax Officer.

#### **4. Disciplinary action taken by SEBI or Stock Exchanges**

As on the date of this Draft Red Herring Prospectus, no disciplinary action by the SEBI or Stock Exchanges initiated against Company.

#### **5. Other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other material litigations initiated against Company.

##### **b) Litigation by Company**

##### **1. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no Criminal Proceedings initiated by the Company.

##### **2. Civil and other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no Civil and other Material Litigations initiated by Company.

## **2. LITIGATION INVOLVING PROMOTERS**

### **Cases filed against Promoters**

##### **1. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no Criminal Proceedings initiated against Company.

##### **2. Actions taken by Statutory/Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no Statutory/Regulatory proceedings initiated Against Promoters.

##### **3. Tax Proceedings**

Tax proceedings initiated against Promoters are as below :

**INCOME TAX NOTICE ISSUED AGAINST AMIT RAJENDRAPRASAD DALMIAHAVING PAN ADOPD5162H**

1. Demand Outstanding for ₹70,352/- U/s 220(2) with Demand Reference No: 2019200737027013215T for Assessment Year :2007 and Date of Demand Raised is 26-May-2019.

The Income Tax Department, Ward 24(1)(1), Mumbai, issued a communication to Mr. Amit Dalal regarding the resolution of his grievance application (Acknowledgment No. 10000001069488). The department confirmed that the rectification order dated 25-Apr-2019 had already been issued, and the outstanding tax demand was reduced to zero. As no further demand is payable by the assessee and the rectification has been completed, the grievance has been marked as fully resolved. The letter, dated 11/07/2019 and signed by the Income Tax Officer Kamlender Kumar Meena, also advised that a new grievance may be submitted if the assessee is not satisfied with the resolution.

2. Demand Outstanding for ₹670/- and Accrued interest of ₹120 U/s 143(1a) with Demand Reference No: 2023202337207944936T for Assessment Year :2023 and Date of Demand Raised is 28-Oct-2023. The demand is paid with acknowledgement number 23291 dated 16.06.2025

**INCOME TAX INTIMATION / CLARIFICATION ISSUED AND ITS CURRENT STATUS FOR AMIT RAJENDRAPRASAD DALMIAHAVING PAN ADOPD5162H**

1. The Income Tax Department, Office of the Income Tax Officer, Ward 16(1)(5), Mumbai, issued a notice dated 11/02/2025 bearing DIN & Letter No: ITBA/COM/F/17/2024-25/1073126510(1) to Mr. Amit Dalmia (PAN: ADOPD5162H). The notice, issued under Section 133(6) of the Income Tax Act, pertains to the ongoing remand report proceedings in the case of M/s. Talentube Entertainment Pvt. Ltd. (PAN: AAECT1315L) for the Assessment Year 2012–13. Mr. Dalmia is requested to furnish information regarding transactions with the said company during FY 2011–12, including the nature of transactions, copy of ledger account of the said assessee, his own income tax return acknowledgment for AY 2012–13, balance sheet, profit and loss account, and bank statements for the period 01.04.2011 to 31.03.2012.

Response is Made with Acknowledgment number 154261821160625 with Bank Statement and stated that ledger cannot be provided as the taxpayer does not maintain books of accounts

**INCOME TAX INTIMATION / CLARIFICATION ISSUED AND ITS CURRENT STATUS AGAINST SUSMITA AMIT DALMIA HAVING PAN AALPG6237E**

1. The Income Tax Department, Office of the Income Tax Officer, Ward 16(1)(5), Mumbai, issued a notice dated 11/02/2025 (DIN & Letter No.: ITBA/COM/F/17/2024-25/1073127207(1)) to Ms. Susmita Amit Dalmia (PAN: AALPG6237E), requesting information under Section 133(6) of the Income Tax Act, 1961, in connection with ongoing remand proceedings in the case of M/s. Talentube Entertainment Pvt. Ltd. (PAN: AAECT1315L) for Assessment Year 2012–13. The notice seeks urgent submission, on or before 21/02/2025, of details regarding transactions with the said assessee during FY 2011–12,

including the nature of transactions, copy of the ledger account, ITR acknowledgement, balance sheet and profit & loss account, and bank statements for the period 01.04.2011 to 31.03.2012.

Response is Made with Acknowledgment number 154451131160625 with Bank Statement and stated that ledger cannot be provided as the taxpayer does not maintain books of accounts

#### **4. Civil and other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no Civil and other Material Litigations initiated Against Promoters.

#### **Cases filed by Promoters**

##### **1. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by Promoters.

##### **2. Other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there is no Other Material Litigation proceedings initiated by Promoters.

#### **LITIGATION INVOLVING DIRECTORS**

#### **Cases filed against directors**

##### **1. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against directors.

##### **2. Actions taken by Statutory/Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no Actions taken by Statutory/Regulatory Authorities against directors.

##### **3. Disciplinary action taken by SEBI or stock exchanges**

As on the date of this Draft Red Herring Prospectus, no disciplinary action by the SEBI or Stock Exchanges initiated against Directors.

##### **4. Tax Proceedings**

#### **INCOME TAX NOTICE ISSUED AGAINST AMIT RAJENDRAPRASAD DALMIAHAVING PAN ADOPD5162H**

1. Demand Outstanding for ₹70,352/- U/s 220(2) with Demand Reference No: 2019200737027013215T for Assessment Year :2007 and and Date of Demand Raised is 26-May-2019.

The Income Tax Department, Ward 24(1)(1), Mumbai, issued a communication to Mr. Amit Dalal regarding the resolution of his grievance application (Acknowledgment No. 10000001069488). The department confirmed that the rectification order dated 25-Apr-2019 had already been issued, and the outstanding tax demand was reduced to zero. As no further demand is payable by the assessee and the rectification has been completed, the grievance has been marked as fully resolved. The letter,

Page | 256



dated 11/07/2019 and signed by the Income Tax Officer Kamlander Kumar Meena, also advised that a new grievance may be submitted if the assessee is not satisfied with the resolution.

2. Demand Outstanding for ₹670/- and Accrued interest of ₹120 U/s 143(1a) with Demand Reference No: 2023202337207944936T for Assessment Year :2023 and Date of Demand Raised is 28-Oct-2023. The demand is paid with acknowledgement number 23291 dated 16.06.2025

#### **INCOME TAX INTIMATION / CLARIFICATION ISSUED AND ITS CURRENT STATUS FOR AMIT RAJENDRA PRASAD DALMIA HAVING PAN ADOPD5162H**

1. The Income Tax Department, Office of the Income Tax Officer, Ward 16(1)(5), Mumbai, issued a notice dated 11/02/2025 bearing DIN & Letter No: ITBA/COM/F/17/2024-25/1073126510(1) to Mr. Amit Dalmia (PAN: ADOPD5162H). The notice, issued under Section 133(6) of the Income Tax Act, pertains to the ongoing remand report proceedings in the case of M/s. Talentube Entertainment Pvt. Ltd. (PAN: AAECT1315L) for the Assessment Year 2012–13. Mr. Dalmia is requested to furnish information regarding transactions with the said company during FY 2011–12, including the nature of transactions, copy of ledger account of the said assessee, his own income tax return acknowledgment for AY 2012–13, balance sheet, profit and loss account, and bank statements for the period 01.04.2011 to 31.03.2012.

Response is Made with Acknowledgment number 154261821160625 with Bank Statement and stated that ledger cannot be provided as the taxpayer does not maintain books of accounts

#### **INCOME TAX INTIMATION / CLARIFICATION ISSUED AND ITS CURRENT STATUS AGAINST SUSMITA AMIT DALMIA HAVING PAN AALPG6237E**

1. The Income Tax Department, Office of the Income Tax Officer, Ward 16(1)(5), Mumbai, issued a notice dated 11/02/2025 (DIN & Letter No.: ITBA/COM/F/17/2024-25/1073127207(1)) to Ms. Susmita Amit Dalmia (PAN: AALPG6237E), requesting information under Section 133(6) of the Income Tax Act, 1961, in connection with ongoing remand proceedings in the case of M/s. Talentube Entertainment Pvt. Ltd. (PAN: AAECT1315L) for Assessment Year 2012–13. The notice seeks urgent submission, on or before 21/02/2025, of details regarding transactions with the said assessee during FY 2011–12, including the nature of transactions, copy of the ledger account, ITR acknowledgement, balance sheet and profit & loss account, and bank statements for the period 01.04.2011 to 31.03.2012.

Response is Made with Acknowledgment number 154451131160625 with Bank Statement and stated that ledger cannot be provided as the taxpayer does not maintain books of accounts

#### **5. Other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other material litigations initiated against directors.

##### **Cases filed by directors**

#### **1. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by directors.

## **2. Other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other material proceedings initiated by directors.

### **LITIGATION INVOLVING KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL**

Cases filed against key managerial personnel and senior management personnel

#### **1. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no Criminal Proceedings pending against key managerial personnel and senior management personnel

#### **2. Actions taken by Statutory/Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no Actions taken by Statutory/Regulatory Authorities against key managerial personnel and senior management personnel

#### **3. Disciplinary action taken by SEBI or stock exchanges**

As on the date of this Draft Red Herring Prospectus, no disciplinary action by the SEBI or Stock Exchanges initiated against key managerial personnel and senior management personnel

#### **4. Tax Proceedings**

##### **INCOME TAX NOTICE ISSUED AGAINST TARAK AMRUTLAL NAGDA HAVING PAN AFPPN9871C**

The Income Tax Department, Office of the Income Tax Officer, Ward 3(4), Kalyan, issued a communication dated 29/02/2020 bearing DIN & Letter No.: ITBA/COM/F/17/2019-20/1025933995(1) to Mr. TarakAmrutlalNagda (PAN: AFPPN9871C) regarding non-payment of advance tax on capital gains arising from the sale of high-value property during the Financial Year 2019-20, relevant to Assessment Year 2020-21. The department has requested Mr. Nagda to properly compute/re-compute the income from such capital gains and pay the 4th or final instalment of advance tax on or before 15th March 2020 to avoid penal interest under the Income Tax Act, 1961. Failure to comply may result in a demand notice under section 156 of the Act. A reply indicating the amount of tax paid or intended to be paid is also requested by the same date.

In response to the notice bearing ID 100026037688 issued under DIN ITBA/COM/F/17/2019-20/1025933995(1) for Assessment Year 2020-21, Mr. TarakAmrutlalNagda (PAN: AFPPN9871C) submitted a full reply on 14 March 2020 stating that he has not sold any flat, but has purchased a new under-construction property valued at ₹1,72,89,700. He explained that he has paid 9 percent as down payment along with 1 percent TDS and 5 percent GST, and has taken a bank loan of ₹1.35 crore from ICICI Bank. He also attached the builder's letter, bank sanction letter, and provided the RERA registration number P51800020608 for the said property

#### **5. Civil and Other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other material litigations initiated against key managerial personnel and senior management personnel

### **CASES FILED BY KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL**

## **1. Criminal Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by key managerial personnel and senior management personnel.

## **2. Other Material Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other material proceedings initiated by key managerial personnel and senior management personnel.

### **LITIGATION INVOLVING SUBSIDIARY**

As on the date of this Draft Red Herring Prospectus, Company does not have any subsidiary company.

### **LITIGATION INVOLVING GROUP ENTITIES**

#### **INCOME TAX NOTICE ISSUED AGAINST OTH ONLINE PRIVATE LIMITED HAVING PAN AACCO4790J**

1. Adjustment notice u/s 143(1)(a) for Assessment Year : 2019-20 with Document Identification Number (DIN) : CPC/1920/G22/1973846450 and CPC/1920/G22/1977365029 Issued On : 12-Feb-2020 and Prescribed Time Limit u/s 143(1)(a) for submission of response has lapsed. You are not allowed to submit now. However Refund kept on hold for demand adjustment. Intimation u/s 245(1) is issued proposing adjustment of refund towards outstanding demand on Sep 18, 2020.

Refund re-issue Request Submitted on 07.09.2020 with Communication number CPC/1920/A6/2003087462 and the refund was received on 31.10.2020

2. Defective notice u/s 139(9) for Assessment Year: 2022-23 with Document Identification Number (DIN) : EFL/2223/G5a/ITR000428390442 On : : 23-Jan-2023 and Prescribed Time Limit u/s 143(1)(a) for submission of response has lapsed. You are not allowed to submit now. However ITR Processed with refund due on May 2, 2023 and refund was received on 04.05.2023

#### **INCOME TAX NOTICE ISSUED AGAINST BRAND SPRING VENTURES LLP HAVING PAN AAZFB9265D**

1. Adjustment notice u/s 143(1)(a) for Assessment Year : 2023-24 with Document Identification Number (DIN) : EFL/2324/G22/ITR000581235189 Issued On : 31-Aug-2023 and Prescribed Time Limit u/s 143(1)(a) for submission of response has lapsed. You are not allowed to submit now. However ITR Processed with no demand/refund Sep 16, 2023

#### **GST TAX NOTICE ISSUED AGAINST OTH ONLINE PRIVATE LIMITED HAVING GSTIN 27AACCO4790J1Z2 FOR STATE - MAHARASHTRA, ZONE - MUMBAI\_NORTH\_WEST, DIVISION – MAZGAON**

The Maharashtra GST Department issued a scrutiny notice in Form ASMT-10 (Ref. No.: ZD270125004462V / B-478, dated 01/01/2025, Case ID: 22SCR01-27AACCO4790J1Z2) to OTH ONLINE PRIVATE LIMITED (GSTIN: 27AACCO4790J1Z2) under Section 61 of the CGST Act for the period April 2022 to March 2023. Issued by Deputy Commissioner Rahul Rangnath Gorde, the notice highlights two discrepancies: (1) excess outward tax liability reported—₹66,59,000 in GSTR-1 vs. ₹65,22,000 in GSTR-3B and ₹47,14,254.54 in GSTR-9, leading to a discrepancy of ₹19,44,745.46; and (2) ineligible ITC of

₹11,03,896 claimed in GSTR-3B/GSTR-9 but not reflected in GSTR-2A/2B or supported by valid documents, violating Section 16(2)(a), (b), and (c) of the GST Act.

M/s. Oth Online Private Limited (GSTIN: 27AACC0479011Z2) submitted its response to the GST ASMT-10 notice (Case ID: 22SCRO1-27AACC0479011Z2) dated 01/01/2025 for FY 2022–23, addressing discrepancies in Para-0070 (outward tax liability) and Para-0073 (excess ITC). For Para-0070, the company clarified that the GSTR-3B liability was ₹65,21,786/- versus the actual liability of ₹47,14,255/-, resulting in an excess payment of ₹19,44,360/- due to omission of Credit Note No. OTH/22-23/CN1 in GSTR-1 and GSTR-3B, though it was correctly reflected in GSTR-9. Supporting documents like the audited P&L, credit note, and sales list were attached. For Para-0073, the alleged excess ITC of ₹11,03,896/- was countered with a reconciliation showing ITC reversals of ₹4,66,618/- in March and April 2023, confirming no excess claim and accurate GSTR-3B entries. The company asserted that the timing of ITC reversal caused the mismatch and no penalty under Section 50(3) is applicable. It requested closure of proceedings and offered cooperation for any further clarification or hearing.

#### **CURRENT STATUS: REPLY FURNISHED; PENDING FOR ACTION BY TAX OFFICER**

**As on the date of this Draft Red Herring Prospectus, there are no other material proceedings initiated Against group entities**

#### **AMOUNT OWNED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS**

The Board of Directors of our Company considers dues exceeding 10 % of our Company's trade payables as per the last Restated financial statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Financial Statements, the trade payables of our Company as on March 31, 2025 were Rs. 90.75 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on June 09, 2025.

As per the above materiality policy, the outstanding amount owed to small scale undertakings and material creditors by our Company is as follows:

(Rs. In Lakhs)

<b>Particulars</b>	<b>As at 31.03.2025</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Total Outstanding dues to Micro and Small Enterprises	14.61	66.63	40.64
Total Outstanding dues to other than Micro and Small Enterprises	76.12	74.42	638.78
<b>Total Rs.</b>	<b>90.74</b>	<b>141.05</b>	<b>679.42</b>

#### **MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled "Management's Discussion & Analysis of Financial Position & Results of Operations" beginning on page 236 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our company has received the necessary consents, licenses, permissions and approvals from the Government and various government agencies/regulatory authorities/certification bodies required for our present business, as applicable on the date of this Draft Red Herring Prospectus and except as mentioned below, and to the best of our knowledge no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. In case, if any of licenses and approvals have expired; we have either made an application for renewal or are in process of making an application for renewal. The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.*

*The Company has got following licenses / registrations / approvals /consents / permissions from the Government and various other Government agencies required for its present business.*

*For further details, in connection with the applicable regulatory and legal framework, within which we operate kindly refer “Key Industry Regulation and Policies” on page 164 of this Draft Red Herring Prospectus.*

## OUR COMPANY APPROVALS

### A. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

#### **Corporate Approvals:**

1. The Board of Directors of our company, pursuant to a resolution dated June 09, 2025 under Section 62(1) (c) of the Companies Act, 2013 passed at its meeting held on authorized the Issue, subject to the approval of the shareholders of the Company and approvals by such other authorities, as may be necessary.
2. The shareholders of our Company have, pursuant to a resolution passed in Extraordinary General Meeting held on July 03, 2025 authorized the Issue under Section 62(1)(c) of the Companies Act, 2013.
3. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated July 25, 2025.
4. Our Board approved the Red Herring Prospectus pursuant to its resolution dated [●].

#### **Approval from Stock Exchange:**

Our Company has obtained in-principle approval dated [●] from the Emerge Platform of NSE Limited for using the name of the Exchange in its Prospectus for listing of the Equity Shares issued by our Company pursuant to the Issue.

#### **Agreements with CDSL and NSDL:**

1. The company has entered into a Tripartite agreement dated July 15, 2025 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is MUFG Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into a Tripartite agreement dated September 08, 2015 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is MUFG Intime India Private Limited for the dematerialization of its shares.

3. The Company's International Securities Identification Number (“ISIN”) is INE433T01015.

#### A. INCORPORATION RELATED APPROVALS

S.No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Incorporation as ‘Encompass Design India Private limited’	U74210MH2010PTC200672	Companies Act, 1956	Registrar of Companies, Mumbai	March 09, 2010	Valid till cancelled
2.	Certificate of Incorporation as ‘Encompass Design India Limited’	U74210MH2010PLC200672	Companies Act, 2013	Registrar of Companies, Central Processing Centre	May 05, 2025	Valid till cancelled

#### B. TAX RELATED APPROVALS

S. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue*	Date of Expiry
1	Permanent Account Number (“PAN”)	AACCE3403E	The Income Tax Act, 1961	Income Tax Department	March 09, 2010	Valid till cancelled
2	Tax Deduction Account Number (“TAN”)	MUME09527A	The Income Tax Act, 1961	Income Tax Department	May 20, 2025	Valid till cancelled
3	Certificate of Registration of Goods and Services Tax- Maharashtra	27AACCE3403E1Z7	Central Goods and Services Tax Act, 2017	Goods and Services Tax Department, Government of India	June 06, 2025	Valid till cancelled
4	Certificate of Registration of Goods and Services Tax- Punjab	03AACCE3403E1ZH	Central Goods and Services Tax Act, 2017	Goods and Services Tax Department, Government of India	June 14, 2025	Valid till cancelled
5	Certificate of Registration of Goods and Services Tax- Karnataka	29AACCE3403E1Z3	Central Goods and Services Tax Act, 2017	Goods and Services Tax Department, Government of India	June 03, 2025	Valid till cancelled
6	Certificate of Registration of Goods and Services Tax- West Bengal	19AACCE3403E1Z4	Central Goods and Services Tax Act, 2017	Goods and Services Tax Department, Government of India	June 14, 2025	Valid till cancelled
7	Certificate of Registration of Goods and Services Tax- Gujarat	24AACCE3403E1ZD	Central Goods and Services	Goods and Services Tax Department,	June 12, 2025	Valid till cancelled

			Tax Act, 2017	Government of India		
8	Certificate of Registration of Goods and Services Tax- Haryana	06AACCE3403E1ZB	Central Goods and Services Tax Act, 2017	Goods and Services Tax Department, Government of India	June 11, 2025	Valid till cancelled
9	Certificate of Registration of Goods and Services Tax- Tamil Nadu	33AACCE3403E1ZE	Central Goods and Services Tax Act, 2017	Goods and Services Tax Department, Government of India	June 10, 2025	Valid till cancelled
10	Certificate of Registration of Goods and Services Tax- Uttar Pradesh	09AACCE3403E1Z5	Central Goods and Services Tax Act, 2017	Goods and Services Tax Department, Government of India	June 24, 2025	Valid till cancelled

*\*The Date Mentioned is the date of fresh certificate issued after Conversion*

### C. LABOUR RELATED APPROVALS

Sr. No	Nature of Registration/License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1	Registration under Employees' Provident Funds and Miscellaneous Provisions Act, 1952	MHBAN0128690000*	Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Employee Provident Fund Organization	February 07, 2022	Valid till cancelled
2	Registration under Employees' State Insurance Corporation (ESIC) Act, 1948	31001137310001099*	Employee's State Insurance Act, 1948	Regional Office, Employees State Insurance Corporation	November 03, 2020	Valid till cancelled
3	Shops & Establishments Registration Certificate  Virwani Indl Estate, Shop No. A-101, Opp. Western Exp Highway, Goregaon(E), Mumbai 400063, Maharashtra	820392704 / PS Ward/COMMERCIAL II	Maharashtra shop and Establishments (Regulations of Employment and conditions of Service) Act ,2017	Labour Department of the Government of Maharashtra	June 02, 2025	Valid till cancelled
4	Shops & Establishments Registration Certificate  701, Cts no. 67/ A/1/2, Simba Tower, off Western Express	820392871 / PS Ward/COMMERCIAL II	Maharashtra shop and Establishments (Regulations of Employment and conditions of Service) Act ,2017	Labour Department of the Government of Maharashtra	June 03, 2025	Valid till cancelled



	Highway, 12 Aradhana Indl Estate, Goregaon East, Mumbai 400063					
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*\*The company has made the application before respective authority for the change of name of Registered user to Encompass Design India Limited.*

#### **D. OTHER BUSINESS-RELATED APPROVALS**

S.No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue/Reg.	Date of Expiry
1	Factory License	1117014101000E-85	Factories Act,1948	Directorate of Occupational Safety and Health	June 05, 2025	December 31, 2027
2	Udyam Registration Certificate (MSME)	UDYAM-MH-19-0035570	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprises	January 21, 2021	Valid till cancelled
3	Certificate of Importer-Exporter Code (IEC)	0313053286	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	November 08, 2013	Valid till cancelled
4	Legal Entity Identifier Code	894500VYHMK9VO2XL718 *	Payment and Settlement Act, 2007	Legal Entity Identifier India Limited	September 09, 2024	September 09, 2025
5	Food Safety and Standards Authority of India	11522998000463*	The Food Safety and Standards Act, 2006	Food Safety and Standards Authority of India	June 01, 2024	July 31, 2029
6	Fire NOC	Application No. MFS/51/2025/342	Maharashtra Fire Prevention and Life Safety Measures act, 2006	Directorate of Maharashtra Fire Services	May 20, 2025	Valid till cancelled

*\*The company has made the application before respective authority for the change of name of Registered user to Encompass Design India Limited.*

#### **E. MATERIAL APPROVALS FOR WHICH OUR COMPANY HAS APPLIED FOR**

Nil

#### **F. MATERIAL APPROVALS FOR WHICH OUR COMPANY IS YET TO APPLY FOR**

Nil

## INTELLECTUAL PROPERTIES

### 1. List of Registered Trade Marks

Sr. No.	Application No.	Class	Brand Name/ Logo/ Trademark/Wordmark	Validity	Status
1	5833382	24	DATENIGHT	03-03-2033	Registered
2	5833384	35	DATENIGHT	03-03-2033	Registered
3	5792892	35	RAJAIL	03-02-2033	Registered
4	5792895	35	RAJAIL.COM	03-02-2033	Registered
5	5681262	24	WHITEHALLLA	14-11-2032	Registered
6	5681263	35	WHITEHALL LA	14-11-2032	Registered
7	6081749	9	QuirkLoom	25-08-2033	Registered
8	6081750	18	QuirkLoom	25-08-2033	Registered
9	6081751	21	QuirkLoom	25-08-2033	Registered
10	6081752	24	QuirkLoom	25-08-2033	Registered
11	6081753	25	QuirkLoom	25-08-2033	Registered
12	2711036	24	stoa paris	02-04-2034	Registered

### 2. List of Trade Marks Under Process

Sr. No.	Application No.	Class	Brand Name/ Logo/ Trademark/ Wordmark	Validity	Status
1	6511958	29	J BATCH	N.A.	Formalities Check Pass
2	6470978	30	J BATCH	N.A.	Objected
3	6511959	35	J BATCH	N.A.	Formalities Check Pass
4	6804384	25	ULTRASATIN	N.A.	Formalities Check Pass
5	6809863	35	ULTRASATIN	N.A.	Formalities Check Pass
6	6804383	25	ULTRASATEEN	N.A.	Formalities Check Pass
7	6809862	35	ULTRASATEEN	N.A.	Formalities Check Pass

Note: \*All the Approvals/Licenses/Registration are in name of Encompass Design India Private Limited; company is taking necessary steps to get the same in the name of Encompass Design India Limited.

## DOMAIN NAME

S.No.	Domain Name	Sponsoring Registrar and IANA ID	Creation Date	Registration Expiry Date
1	edipl.in	Endurance Digital Domain Technology Private Limited, LLC and IANA ID: 801217	13/07/2021 and updated on 09/07/2025	13/07/2026
2	blisshomeindia.com	GoDaddy.com, LLC IANA ID:146	11/08/2023 and updated on 7/08/2024	11/08/2025
3	ediplgallery.in	GoDaddy.com, LLC IANA ID:146	23/07/2024 and updated on 12/07/2025	23/07/2026
4	encompassdesign.in	Endurance Digital Domain Technology Private Limited, LLC and IANA ID: 801217	13/07/2021 and updated on 09/07/2025	13/07/2026
5	encompassdesignindia.com	BigRock Solutions Ltd IANA ID: 1495	15/04/2013 and updated on 26/03/2025	15/04/2026
6	encompassmarkets.in	GoDaddy.com, LLC IANA ID:146	05/09/2024 and updated on 14/05/2025	05/09/2025
7	encompassshop.in	GoDaddy.com, LLC IANA ID:146	05/09/2024 and updated on 10/09/2024	05/09/2025
8	getsmallbatch.com	GoDaddy.com, LLC IANA ID:146	23/02/2023 and updated on 19/12/2024	23/02/2026
9	getsortd.in	GoDaddy.com, LLC IANA ID:146	15/06/2021 and updated on 19/12/2024	15/06/2026
10	jbatch.co.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 16/03/2025	27/03/2026
11	jbatch.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 16/03/2025	27/03/2026
12	jhaal.com	GoDaddy.com, LLC IANA ID:146	13/10/2021 and updated on 18/09/2024	13/10/2025
13	jsauce.co.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 16/03/2025	27/03/2026
14	jsauce.in	GoDaddy.com, LLC IANA ID:146	27/03/2023 and updated on 31/03/2025	27/03/2026
15	mysmallbatch.com	GoDaddy.com, LLC IANA ID:146	04/03/2025 and updated on 04/03/2025	04/03/2026
16	mywhitehall.com	GoDaddy.com, LLC IANA ID:146	24/01/2024 and updated on 30/01/2025	24/01/2026

17	mywhitehall.in	GoDaddy.com, LLC IANA ID:146	24/01/2024 and updated on 04/01/2025	24/01/2026
18	ohsosaucy.co.in	GoDaddy.com, LLC IANA ID:146	20/09/2022 and updated on 23/09/2024	20/09/2025
19	ohsosaucy.in	GoDaddy.com, LLC IANA ID:146	20/09/2022 and updated on 23/09/2024	20/09/2025
20	olivetheory.com	GoDaddy.com, LLC IANA ID:146	09/09/2012 and updated on 18/09/2024	09-09-2025
21	quirkloom.co.in	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 12/08/2024	03/08/2025
22	quirkloom.co	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 12/08/2024	03/08/2025
23	quirkloom.com	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 07/08/2024	03/08/2025
24	quirkloom.in	GoDaddy.com, LLC IANA ID:146	03/08/2023 and updated on 12/08/2024	03/08/2025
25	rajaii.com	GoDaddy.com, LLC IANA ID:146	26/12/2022 and updated on 19/12/2024	26/12/2025
26	rajaii.in	GoDaddy.com, LLC IANA ID:146	26/12/2022 and updated on 24/12/2024	26/12/2025
27	scalesauce.co.in	GoDaddy.com, LLC IANA ID:146	15/07/2022 and updated on 12/07/2025	15/07/2026
28	scalesauce.co	GoDaddy.com, LLC IANA ID:146	15/07/2022 and updated on 12/07/2025	15/07/2026
29	scalesauce.in	GoDaddy.com, LLC IANA ID:146	15/07/2022 and updated on 12/07/2025	15/07/2026
30	smallbatch.co.in	GoDaddy.com, LLC IANA ID:146	12/01/2023 and updated on 24/12/2024	12/01/2026
31	smallbatch.in	GoDaddy.com, LLC IANA ID:146	21/08/2023 and updated on 12/08/2024	21/08/2025
32	stoaparis.co.in	GoDaddy.com, LLC IANA ID:146	12/12/2024 and updated on 12/12/2024	12/12/2025
33	stoaparis.com	GoDaddy.com, LLC IANA ID:146	24/03/2021 and updated on 18/03/2024	24/03/2027
34	stoaparis.in	GoDaddy.com, LLC IANA ID:146	12/12/2024 and updated on 17/12/2024	12/12/2025
35	whitehall.in	GoDaddy.com, LLC IANA ID:146	08/09/2023 and updated on 14/08/2024	08/09/2025

36	whitehall.la	GoDaddy.com, LLC IANAID:146	11/10/2022 and updated on 16/10/2024	11/10/2025
37	whitehallla.com	GoDaddy.com, LLC IANAID:146	11/10/2022 and updated on 16/10/2024	11/10/2025
38	whitehall-la.com	GoDaddy.com, LLC IANAID:146	11/10/2022 and updated on 16/10/2024	11/10/2025
39	whitehall-la.in	GoDaddy.com, LLC IANAID:146	11/10/2022 and updated on 21/10/2024	11/10/2025

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## **SECTION XI: INFORMATION WITH RESPECT TO GROUP COMPANIES**

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated June 09, 2025 has adopted the materiality policy for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfils both the below mentioned conditions:

- (i) such companies (other than promoter) and subsidiary(ies) with which the relevant issuer company had related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, or
- (ii) any other companies considered material by the Board of Directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than our Subsidiary) with which there were related party transactions during the periods covered in the Restated Financial Statement, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI (ICDR) Regulations. For the purpose of avoidance of doubt and pursuant to regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018 it is clarified that our promoters and Subsidiary will not be considered as Group Companies.

Based on the Above, the following Companies are identified as Group Companies:

### **1. OTH ONLINE PRIVATE LIMITED**

OTH Online Private Limited was originally incorporated on 10th April'2017 as a private limited Company under the Companies Act'2013. The Company has its Registered Office in Mumbai. The company was in the business of technological innovation and development of. deep-tech visual-led global open box advertising platform. This development was based on Machine learning and AI models.

<b>CIN</b>	U74999MH2017PTC293637
<b>PAN</b>	AACCO4790J
<b>Registered Office</b>	D-2, Poddar Chamber Harishchandra L Nagaonkar Marg, Mathuradas Mill Compound, Mumbai City, Lowerparel, Mumbai, Maharashtra, India, 400013
<b>Registration Number</b>	293637

#### **Capital of the Company**

<b>Authorised Capital</b>	10,00,000
<b>Paid-up Capital</b>	4,52,000

### **2. HOME CRAFT ONLINE PRIVATE LIMITED**

Home Craft Online Private limited was originally incorporated on 24th September '2015 as a private limited Company under the Companies Act'2013. The Company has its Registered Office in Mumbai. The company was primarily engaged in the business of designing, developing and operation of online marketplace platform in the niche home décor and kitchen accessories segments.

<b>CIN</b>	U74900MH2015PTC268690
<b>PAN</b>	AADCH7250H
<b>Registered Office</b>	D-2, Poddar Chamber Harishchandra L Nagaonkar Marg, Mathuradas Mill Compound, Mumbai City, Lowerparel, Mumbai, Maharashtra, India, 400013
<b>Registration Number</b>	268690

#### **Capital of the Company**

<b>Authorised Capital</b>	4,50,000
<b>Paid-up Capital</b>	1,04,390

### 3. VIATON ENERGY PRIVATE LIMITED

Viaton Energy Private Limited was originally incorporated on 07th January'2009 as a private limited Company under the Companies Act'1956. The Company has its Registered Office in Andhra Pradesh. VEPL is a Renewable energy generation company. The company has an installed power generation capacity of 10 MW. The company uses residual biomass as the boiler fuel to generate electricity, thus preventing stubble burning by Farmers and reducing the consequential air pollution.

<b>CIN</b>	U40109AP2009PTC119756
<b>PAN</b>	AACCV9264G
<b>Registered Office</b>	12-7-9, MVR Complex, Seethrampeta, Tadepalligudem Bazar, West Godavari, Tadepalligudem, Andhra Pradesh, India, 534102
<b>Registration Number</b>	119756

#### Capital of the Company

<b>Authorised Capital</b>	52,00,00,000
<b>Paid-up Capital</b>	51,00,00,000

#### Financial Information

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of our group companies are available on the website of our Company at [www.edipl.in](http://www.edipl.in)

It is clarified that such details available on our group companies' websites do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Group Companies' website, as mentioned above, would be doing so at their own risk.

#### Litigations

Except Disclosed in this Draft Red Herring Prospectus, Our Group Companies does not have any pending litigation which can have a material impact on our Company.

#### Common pursuits among Group Companies

The Group Companies are aligned in their common pursuits, yet as indicated in the Prospectus (DP), there are presently no shared business operations or conflicts of interest among them.

#### Nature and Extent of Interest of Group Companies

##### *In the promotion of our Company:*

Our Group Companies does not have any interest in the promotion of our Company.

##### *In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company:*

Our Group Companies are not interested in the properties acquired by us in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of this Draft Red Herring Prospectus.

##### *In transactions for acquisition of land, construction of building and supply of machinery, etc. :*

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.



***Related business transactions and their significance on the financial performance of our Company:***

Other than the transactions disclosed in the section ***“Restated Financial Statements-Related Party Transactions”*** on page 231, there are no related business transactions between the Group Companies and our Company.

***Business interest of our Group Companies in our Company***

Except as disclosed in the section ***“Restated Financial Statements-Related Party Transactions”*** on page 231 our Group Companies have no business interests in our Company.

***Undertaking/ Confirmations by our Group Companies***

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been:

Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad

None of our Promoters, person in control of our Company have ever been a Promoters, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies/ Promoter Group entities have been declared as a wilful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e. [www.edipl.in](http://www.edipl.in)

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## **SECTION XII - OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The Offer has been authorized by a resolution of our Board dated June 09, 2025 and the Issue has been authorized by a special resolution of our Shareholders dated July 03, 2025.

Our Board, pursuant to its resolution dated July 24, 2025 have approved this Draft Red Herring Prospectus.

Our Company has received in-principle approval from NSE for the listing of the Equity Shares pursuant to letters dated [●].

### **Prohibition by SEBI or other Governmental Authorities**

Our Company, our Promoters, the persons in control of our Company, our directors and the members of the Promoters Group have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority / court.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, our Promoters, and the members of the Promoter Group severally and not jointly confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### **Directors associated with the Securities Market**

None of our Directors are associated with the securities market.

There has been no outstanding action(s) initiated by SEBI against the directors of our company in the five years preceding the date of this Draft Red Herring Prospectus.

### **Eligibility for the Issue**

We are an unlisted company and are eligible for the Initial Public Offer in accordance with Regulation 229 (2) of the SEBI ICDR Regulations which states the following:

*“An issuer, whose post issue paid up value capital is more than ten crore rupees and up to twenty- five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.”*

Further, as per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of NSE Emerge on which the specified securities are proposed to be listed.

- a) Our Company was originally incorporated as “Encompass Design India Private Limited” a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 2010 issued by Registrar of Companies, Mumbai. Further, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated March 31, 2025 and consequently, the name of our Company was changed from “Encompass Design India Private Limited” to “Encompass Design India Limited” and a fresh certificate of incorporation dated May 05, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U74210MH2010PLC200672.
- b) As on the date of this Draft Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹1042.51 Lakhs comprising of 1,04,25,144 Equity Shares of ₹10/- each and the post issue paid-up Capital (face value) will be ₹[●] Lakhs comprising of [●] Equity Shares which shall be below ₹25 crores.
- c) Our Company confirms that it has track record of more than 3 years.
- d) Our promoters, Amit Rajendraprasad Dalmia, Susmita Amit Dalmia, Ruman Kailash Agarwal and Yogendra Vashishta have minimum 3 years of experience in the same line of business of our company and shall be holding at

least 20% of the post issue equity share capital individually or severally.

- e) As per the Restated Financial Information, our company has operating profit (earnings before interest, depreciation and tax excluding other income) from operations and Net worth were:

(in ₹ Lakhs)

Particulars	For the period ended on March 31		
	2025	2024	2023
Restated profit before taxes (I)	1,463.32	927.94	(97.66)
Finance costs (II)	31.63	31.30	6.50
Depreciation and Amortisation expense (III)	227.73	172.69	153.84
Other income (IV)	(36.25)	(10.56)	(6.61)
<b>EBITDA (V) (I + II + III - IV)</b>	<b>1686.43</b>	<b>1121.36</b>	<b>56.07</b>
Net worth	<b>3257.65</b>	<b>1037.48</b>	<b>349.58</b>

Hence, Our Company confirms that it has operating profits (earnings before interest, depreciation and tax) of ₹1 Crore from operations for at least two out of three previous financial years preceding the application date as per the Restated Financial Statements and its net-worth is positive.

- f) As per the Restated Financial Information, our free cash flow to Equity (FCFE) was:

(in ₹ Lakhs)

Particulars	For the period ended on March 31		
	2025	2024	2023
Cash flow from Operations (I)	473.80	650.29	312.08
Purchase of Fixed Assets (II)	(990.48)	(635.17)	(58.94)
Net Borrowings (III)	620.54	58.34	(280.00)
Interest x (IV)	(23.67)	(23.43)	(4.86)
<b>FCFE (V) (I - II + III - IV)</b>	<b>80.19</b>	<b>50.04</b>	<b>(31.72)</b>

As certified by the M/s V. K. BESWAL & ASSOCIATES, Chartered Accountants pursuant to their certificate date July 14, 2025.

- g) Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against our Company and promoting companies.
- h) There is no winding up petition against the company, which has been admitted by NCLT / Court of competent jurisdiction or a liquidator has not been appointed.
- i) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.
- j) We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) of our Company in the Draft Red Herring Prospectus.
- k) There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) during the past three years except as mentioned in the Draft Red Herring Prospectus.
- l) We have disclosed the details of our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter “*Outstanding Litigation and Material Developments*” on page 251.
- m) We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of our company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For details, refer the chapter “*Outstanding Litigation and Material Developments*” on page 251.
- n) The Application for listing of the equity shares of our company has not been rejected by the NSE in last 6 complete months.

As per Regulation 229 (4) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

“In case of an issuer, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of draft offer document”: **Not Applicable**

As per Regulation 229 (5) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

“In cases where there is a complete change of promoter of the issuer or there are new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, the issuer shall file draft offer document only after a period of one year from the date of such final change(s)”: **Not Applicable**

As per Regulation 229 (6) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

“An issuer may make an initial public offer, only if the issuer had minimum operating profits (earnings before interest, depreciation and tax) of ₹1 crore from operations for at least two out of the three previous financial years”

Our Company confirms that it has operating profits (earnings before interest, depreciation and tax) of ₹1 Crore from operations for at least two out of three previous financial years preceding the application date as per the Restated Financial Statements.

(₹ in Lakhs)

Particulars	For the period ended on March 31		
	2025	2024	2023
Net Profit before Tax	1,463.32	927.94	(97.66)
Add: Finance Cost	31.63	31.30	6.50
Add: Depreciation and Amortisation Expenses	227.73	172.69	153.84
Less: Other Income	(36.25)	(10.56)	(6.61)
<b>Operating profit (Earnings before interest, depreciation and tax) from operations</b>	<b>1686.43</b>	<b>1121.36</b>	<b>56.07</b>

As per Regulation 230 (1) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

- The Draft Red Herring Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the SME platform of NSE. NSE Emerge is the Designated Stock Exchange.
- Our Company has entered into an agreement dated August 14, 2015 with NSDL and agreement dated July 15, 2025 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be offered.
- The entire pre-Offered capital of our Company are fully paid-up Equity Shares and the Equity Shares proposed to be offered pursuant to this IPO are fully paid-up.
- The entire Equity Shares held by the Promoters are in the dematerialised form.
- The fund requirements set out for the Objects of the Offer are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Offer as required under the SEBI ICDR Regulations. For details, please refer the chapter “*Objects of the Offer*” on page 93 of this Draft Red Herring Prospectus.
- The size of offer for sale by selling shareholders shall not exceed twenty per cent of the total offer size- **Not Applicable**
- The shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders’ pre-offer shareholding on a fully diluted basis: **Not Applicable**

- h) Objects of the Offer does not consist of repayment of loan taken from promoters, promoter group or any related party, from the offer proceeds, whether directly or indirectly.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 268 (1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 200, failing which, the entire application money will be refunded forthwith, in accordance with the SEBI ICDR Regulations and applicable law.

#### **Disclaimer Clause of SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE BIDDERS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SOCRADAMUS CAPITAL PRIVATE LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

#### **Disclaimer from our Company, our Directors and the Book Running Lead Manager**

Our Company, our directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, <https://www.pcdiagnostics.in/home>, or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement, Underwriting Agreement and Market Maker Agreement.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at bidding centres or elsewhere.

Prospective Investors who Bid in this Issue will be required to confirm and will be deemed to have represented to our

Company, Underwriter, Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, Underwriter, Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire Equity Shares.

The Book Running Lead Manager and their associates and affiliates in their capacity as principals or agents may engage in transactions with and perform services for, our Company, our Promoters, members of the Promoter Group and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoters, members of the Promoter Group and their respective directors, officers, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

#### **Disclaimer in respect of Jurisdiction**

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, multilateral and bilateral development financial institutions, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign Bidders, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. **No person outside India is eligible to apply for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with NSE for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. The delivery of this Draft Red Herring Prospectus under any circumstances, does not create any implication that there has been any change in the affairs of our Company since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

#### **Eligibility and Transfer Restrictions**

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities law. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. There will be no offering of securities in the United States.

The Equity Shares are being offered and sold outside the United States in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur and in each

case who are deemed to have made the representations set forth immediately below.

### **Restrictions on Transfers**

Each purchaser that is acquiring the Equity Shares offered pursuant to this Issue outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to this Issue, will be deemed to have acknowledged, represented to and agreed with the Company that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser acknowledges that the Equity Shares offered pursuant to this Issue have not been and will not be registered under the U.S. Securities Act or with any securities' regulatory authority of any state of the United States and accordingly may not be offered, sold, resold, pledged or transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
2. the purchaser is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;
3. the purchaser is purchasing the Equity Shares offered pursuant to this Issue in an "offshore transaction" meeting the requirements of Regulation S under the U.S. Securities Act;
4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Issue, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
5. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
6. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
7. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;
8. the purchaser understands and acknowledges that the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above stated restrictions; and
9. the purchaser acknowledges that the Company, the members of the Syndicate, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

**Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.**

### **Disclaimer Clause of the NSE**

As required, a copy of the Draft Red Herring Prospectus will be submitted to NSE. The Disclaimer Clause as intimated by the NSE to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and Prospectus prior to the filing with RoC.

### **Listing**



The Equity Shares issued pursuant to the Red Herring Prospectus are proposed to be listed on NSE Emerge. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to the NSE for obtaining their permission for the listing and trading of the Equity Shares.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the NSE, our Company shall forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus in accordance with applicable law.

If our Company does not allot Equity Shares pursuant to the Issue within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders in accordance with applicable law for the delayed period.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the NSE Emerge are taken within three Working Days from the Bid / Issue Closing Date or within such other period as may be prescribed. If the Company does not Allot the Equity Shares within one Working Day from the Bid / Issue Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Issue Account will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law.

### **Consents**

Consents in writing of each of our Directors, our Company Secretary and Compliance Officer, legal advisor to the Issue, Bankers to our Company, the Book Running Lead Manager, the Registrar to the Issue, D&B, Statutory Auditors, Peer Review Auditors, have been obtained; and consents in writing of the Public Issue Account Bank, Sponsor Bank(s) and Refund Bank(s) and Syndicate Member to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents shall not be withdrawn up to the time of filing of the Prospectus with the RoC.

### **Experts to the Issue**

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

Our Company has received written consent from the Peer Reviewed Auditor namely, M/s V. K. BESWAL & ASSOCIATES, to include their name in respect of the reports on the Restated Consolidated Financial Information dated May 12, 2025, Restated Standalone Financial Information dated June 09, 2025 and the Statement of Special Tax Benefits dated July 21, 2025 issued by them and included in this Draft Red Herring Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as "Expert" as defined under section 2 (38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

### **Particulars regarding public or rights issues by our company during the last five years and performance vis-à-vis objects**

Our Company has not made any public issue (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus. Further, except as disclosed in "*Capital Structure*" on page 68, our Company has not made any rights issue during the five years preceding the date of this Draft Red Herring Prospectus.

### **Particulars regarding public or rights issues by listed subsidiary during the last five years and performance vis-à-vis objects**

None our Subsidiaries are listed on any stock exchange.

### **Underwriting commission, brokerage and selling commission paid on previous issues of the equity shares**

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

### **Capital issue during the previous three years by our company**

Other than as disclosed in Chapter titled "*Capital Structure*" on page 68, our Company has not undertaken any capital issue

in the last three years preceding the date of this Draft Red Herring Prospectus.

#### Capital issue during the previous three years by listed subsidiaries, group companies, or associates of our company

Our Company does not have any listed subsidiaries; group companies or associates as on date of this Draft Red Herring Prospectus.

#### Price information of the past issues handled by the Book Running Lead Manager

For Details regarding the Price Information and track record of the Past Issues handled by 3Dimension Capital Services Limited as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, and the website of Book Running Lead Manager at [www.3dcs.com](http://www.3dcs.com)

Disclosure of Price Information of Past Issues Handled by 3Dimension Capital Services limited are:

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In ₹)	Listing Date	Opening Price on Listing Date	+ / -% change in closing price, [+ / - % change in Closing benchmark] 30th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 90th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 180th calendar days from listing
1.	Avi Ansh Textile Limited (NSE Emerge)	25.99	62	September 27, 2024	67.75	19.56%	60.88%	48.04%

Note:

- The Nifty SME Emerge is considered as the Benchmark.
- “Issue Price” is taken as “Base Price” for calculating % Change in Closing Price of the respective Issues on 30th/ 90th/180th Calendar days from listing.
- “Closing Benchmark” on the listing day of respective scripts is taken as “Base Benchmark” for calculating % Change in Closing Benchmark on 30th/ 90th/180th Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
- In case 30th/ 90th/180th day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered

Summary Statement of Disclosure:

Financial Year	Total no. of IPO's	Total Funds Raised ('in Cr.)	No. of IPOs trading at Discount-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-30th calendar day from listing day			No. of IPOs trading at Discount-180th calendar day from listing day			No. of IPOs trading at Premium-180th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25 %	Over 50%	Between 25-50%	Less than 25 %	Over 50%	Between 25-50%	Less than 25 %	Over 50%	Between 25-50%	Less than 25 %
Main Board - NIL														
SME Platform														

2024-2025*	1	25.99	-	-	-	-	-	1	-	-	-	-	1	-
2023-2024	NA	-	-	-	-	-	-	-	-	-	-	-	-	-
2022-2023	NA	-	-	-	-	-	-	-	-	-	-	-	-	-

### Track record of past issues handled by Book Running Lead Manager

For details regarding track record of the Book Running Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at: [www.3dcs1.com](http://www.3dcs1.com)

### Stock market data of equity shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

### Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchange or any such period as prescribed under the applicable laws, to enable the investors to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

**Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, Bidders may also write to the Book Running Lead Manager or the Registrar to the Issue, in the manner provided below. Our Company, the Book Running Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.**

All Issue related grievances may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents / information mentioned hereinabove. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For issue related grievances, Bidders may contact the Book Running Lead Manager, details of which are given in "*General Information*" on page 58.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid / Issue Closing Date, the investor shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to the SEBI master circular, SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond

this period of 15 days. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Manager, and such Bid shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the SEBI ICDR Master Circular,, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the Bidder:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/withdrawn/deleted Bids	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation/withdrawal/deletion is placed on the bidding platform of the Stock Exchange till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original Bid Amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non-Allotted/partially Allotted Bids	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchange, with a copy to the Registrar to the Issue.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. Our Company, the BRLM, and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

#### **Disposal of Investor Grievances by our company**

Our Company shall, after filing this Draft Red Herring Prospectus, obtain authentication on the SCORES in compliance with the SEBI circular bearing reference no. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023, in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders Relationship Committee, please see *“Our Management - Corporate Governance”* on page 180.

Our Company has also appointed Mrs. Nikita Dinesh Chandak, Company Secretary of our Company, as the Compliance Officer for the Issue. For details, “**General Information – Company Secretary and Compliance Officer**” on page 59.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be Seven (7) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

**Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

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## **SECTION XIII – ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by individual investors who applies for minimum application size through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Authority for the Issue**

*The present Public Issue of upto 37,58,400 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on June 09, 2025 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on July 03, 2025 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.*

#### **Ranking of Equity Shares**

*The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled "Description of Equity Shares and terms of the Articles of Association" beginning on Page No. 326 of the Draft Red Herring Prospectus.*

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled "**Dividend Policy**" beginning on Page 203 of the Draft Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share ("**Floor Price**") and at the higher end of the Price Band is ₹ [●] per Equity Share ("**Cap Price**").

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of [●] an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page 100 of this Draft Red Herring Prospectus.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than two lots (which shall be above ₹2 lakhs).

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated September 08, 2015.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated July 15, 2025.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 200 shareholders. In case, the number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.



## **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai, India.

**The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "**Capital Structure**" on page 68 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "**Description of Equity Shares and terms of the articles of association**" on page 326 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

## Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Manager will submit reports of compliance with applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding three Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus/Red Herring Prospectus with Stock Exchange.

## ISSUE PROGRAM

Events	Indicative Dates
Anchor Portion Issue Opens/Closes On	[●]
Bid/Issue Opening Date	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account** (T+2)	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or before [●]

**\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the Self Certified Syndicate Bank(s) ("SCSB"), to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023, for which the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fee for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.**

**The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.**

**While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within Three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.**

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Manager will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

### **Submission of Bids**

#### **Bid/Issue Period (except the Bid/Issue Closing Date)**

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

#### **Bid/Issue Closing Date**

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

#### **On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Individual Bidders.

On Bid/Issue Closing Date, extension of time would have been granted by Stock Exchanges only for uploading Bids received by Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in

any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. Our Company, in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations, provided that (i) the Cap Price will be less than or equal to 120% of the Floor Price, (ii) the Cap Price will be at least 105% of the Floor Price, and (iii) the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty

(60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (Two hundred).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than two lots (which shall be above ₹2 lakhs).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Migration to Main Board**

Parameter	Migration policy from NSE SME Platform to NSE Main Board
Paid up Capital & Market Capitalisation	<p>The Paid-up equity capital is not less than INR 10 crores, and Average capitalisation shall not be less than INR 100 crores.</p> <p>For this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange for 3 months preceding the application date) and the post issue number of equity shares</p>

Revenue From Operation & EBIDTA	The applicant company should have revenue from operations should be greater than INR 100 Cr in the last financial year.  and Should have positive operating profit from operations for at least 2 out of 3 financial years.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.
Public Shareholders	The total number of public shareholders should be at least 500 on the date of application.
Promoter & Promoter Group holding	Promoter and Promoter Group shall be holding at least 20% of the Company at the time of making application.  Further, as on date of application for migration the holding of Promoter's should not be less than 50% of shares held by them on the date of listing.
Other Listing Conditions	<ul style="list-style-type: none"> <li>• No proceedings have been admitted under Insolvency and Bankruptcy Code against Applicant company and promoting company.</li> <li>• The company has not received any winding up petition admitted by NCLT/IBC.</li> <li>• The net worth of the company should be at least 75 crores.</li> <li>• No Material regulatory action in the past 3 years like suspension of trading against the applicant Company and Promoter by any Exchange.</li> <li>• No debarment of Company/Promoter, subsidiary Company by SEBI</li> <li>• No Disqualification/Debarment of director of the Company by any regulatory authority.</li> <li>• The applicant company has no pending investor complaints in SCORES.</li> <li>• Cooling period of two months from the date the security has come out of the trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.</li> <li>• No Default in respect of payment of interest and /or principal to the debenture/bond/fixed deposit holders by the applicant, promoter/ Subsidiary Company.</li> </ul>

### Market Making

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “**General Information**” beginning on page 58 of this Draft Red Herring Prospectus.

### Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of National Stock Exchange of India Limited.

### Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter “**Capital Structure**” beginning on page 68 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove.

Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

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## **ISSUE STRUCTURE**

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital shall be more than Ten Crore rupees and upto ₹ Twenty Five Crore, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue, please refer to the chapter titled “Terms of the Issue” and “Issue Procedure” on page 283 and 295 of the Draft Red herring Prospectus.

This public issue comprises of upto 37,58,400 equity shares of face value of ₹10/- each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●]/- per equity share (the “issue price”) aggregating to ₹ [●]/- Lakhs (“the issue”) by our company. The Issue and the Net Issue will constitute [●] % and [●] % respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process <sup>(1)</sup>:

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors (who applies for minimum application size)
Number of Equity Shares available for allocation*	Up to [●] Equity Shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than Equity Shares [●]
Percentage of Issue size available for allocation	[●] % of the issue size	<p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p> <p>Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.”</p>	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment(3)	Firm Allotment	Proportionate as follows:	Proportionate as follows: (a) one third was reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-third of such portion was reserved	Proportionate basis subject to minimum allotment of [●] Equity Shares



Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors (who applies for minimum application size)
			for applicants with application size of more than ₹ 10,00,000	
		a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and		
		b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above		
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that Bid size exceeds ₹ 200,000	2 lots such that the Bid size shall be above ₹2 lakhs
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	2 lots such that the Bid size shall be above ₹2 lakhs
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors (who applies for minimum application size)
Terms of Payment	<b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank(s) through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid**	ASBA only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism. ASBA Bids placed by Non-Institutional Investors shall have a limit of up to ₹ 500,000			

\* Assuming full subscription in the Issue

\*\* SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Individual Investor, QIB (except Anchor Investors), NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

- (1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- (4) Our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price.
- (5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled "Issue Procedure" beginning on page 295 of the Draft Red Herring Prospectus

#### Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange

will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Mumbai.

### BID/ ISSUE PROGRAMME:

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

*The above time table is indicative and does not constitute any obligation on our Company. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE Emerge is taken within Three Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.*

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

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centres mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- A standard cut-off time of 3.00 p.m. for acceptance of bids.
- A standard cut-off time of 4.00 p.m. for uploading of bids received from other than individual Investor applicants.
- A standard cut-off time of 5.00 p.m. for uploading of bids received from only individual Investor applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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## **ISSUE PROCEDURE**

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Individuals Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Individuals Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by Individuals Investors (“UPI Phase III”), as may be prescribed by SEBI. The Issue has been undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism. This circular shall come into force for initial public offers opening on/or after May 1, 2022, and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The processing fees for applications made by Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised

to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

Further, our Company, the Promoter and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

#### **BOOK BUILDING PROCEDURE:**

This issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Individual Bidders who applies for minimum application size in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Selling Shareholders, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under- subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange

**Investors were required note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which did not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for Individuals Investors Bidding through the UPI Mechanism as applicable, were treated as incomplete and were rejected. Bidders did not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

#### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

#### **Phased implementation of Unified Payments Interface**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by Individuals Investors through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

- b) Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI pursuant to its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI pursuant to its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by Individuals Investors through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.
- c) Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Individual Bidders using the UPI.

The processing fees for applications made by Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the "General Information Document" available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and our Registered. An electronic copy of the Bid cum Application Form will also be available for download on the website of National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The Individuals Bidding in the Individual Investor Portion can additionally Bid through the UPI Mechanism.

Individuals Bidding in the Individuals Investor Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than Individuals Investors using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA



Forms not bearing such specified stamp are liable to be rejected. Individuals Bidding in the Individuals Investor Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. Individuals authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation Basis	Blue

**Note:** Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

**Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by Individual Investors (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.**

**Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).**

**Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.**

**The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.**

**An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)**

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Individuals investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

**The upload of the details in the electronic bidding system of stock exchange will be done by:**



<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

**Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For Individuals Investors using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to Individuals Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individuals Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, Individuals Investors should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate Individuals Investors (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analyzing the same and fixing liability.

## **WHO CAN BID?**

**Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.**

**Subject to the above, an illustrative list of Bidders is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows:  
 —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ

is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;

- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3,2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

## MAXIMUM AND MINIMUM APPLICATION SIZE

### 1. For Individual Bidders (*who applies for minimum application size*)

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Price payable by the Bidder not less than 2 lots per application provided that the minimum application size shall be above ₹ 2,00,000. In case of revision of Applications, the Individual Bidders, who has applied for minimum application size, not less than 2 lots per application provided that the minimum application size shall be above ₹ 2,00,000.

### 2. For Other than Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non- Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid

through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.

- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

**The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

**Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

## **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

## **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

## **BIDS BY ELIGIBLE NRIS**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non- repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "**Restrictions on Foreign Ownership of Indian Securities**" beginning on page 325. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

## **BIDS BY FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis.

Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and

(iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilize the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.



There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see "*Key Regulations and Policies*" beginning on page 164.

#### **BIDS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public

issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY ANCHOR INVESTORS**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts,

India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above- mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Individual Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for

the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of In case of resident Anchor Investors: — “[●] – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “[●] – Anchor Account- NR”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

#### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
- iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Individual Bidders and Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) Individuals Investors can withdraw their Bids until Bid/ Issue Closing Date. In case a Individuals Investors wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%



1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

**Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date. GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individuals Investors can revise their Bid(s) during the Bid/ Issue Period and withdraw or lower the size of their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/ Issue Period.

**Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an Individuals Investors using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. Individuals Investors bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for Individuals Investors using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form

or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of Individuals Investors submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. Individuals Investors who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which Individuals Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the Individuals Investors ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. Individuals Investors shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individuals Investor may be deemed to have verified the attachment containing the application details of the Individuals Investors in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (Individuals Investors bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and

26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

- 1) Do not Bid for lower than the minimum Bid size;
- 2) Do not Bid for a Bid Amount exceed ₹ 500,000 for Bids by UPI Bidders;
- 3) Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
- 4) Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- 5) Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- 6) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- 7) Do not submit the Bid for an amount more than funds available in your ASBA account.
- 8) Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
- 9) In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
- 10) If you are the Individuals Investors and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
- 11) Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- 12) Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- 13) Do not submit the General Index Register (GIR) number instead of the PAN;
- 14) Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- 15) Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 16) Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 17) Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
- 18) Do not submit a Bid using UPI ID, if you are not the Individuals Investors ;
- 19) Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
- 20) Do not Bid for Equity Shares in excess of what is specified for each category;
- 21) Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

- 22) Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Individuals Investors can revise or withdraw their Bids on or before the Bid/Issue Closing Date can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
- 23) Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
- 24) If you are an Individuals Investor which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
- 25) Do not Bid if you are an OCB; and
- 26) If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “*General Information*” and “*Our Management*” beginning on page 58 and 180.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “*General Information*” beginning on page 58.

### **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by Individuals Investors using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by Individuals Investors using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
12. Bids accompanied by stock invest, money order, postal order or cash; and
13. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by Individuals Investors uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” beginning on page 58

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The allotment of Equity Shares to Bidders other than Individual Investors may be on proportionate basis. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.**

#### **BASIS OF ALLOTMENT**

##### **FLOW OF EVENTS FROM THE CLOSURE OF BIDDING PERIOD (T DAY) TILL ALLOTMENT:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file/Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.

- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/Company for their review/comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

#### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket/batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the over subscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

#### **a. For Individual Bidders**

Bids received from the Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

#### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Individual Investors Portion shall be available for allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

#### **c. Allotment To Anchor Investor (If Applicable)**

- Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer and the Selling Shareholders, in consultation with the BRLM, subject to compliance with the following requirements:
  - not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- allocation to Anchor Investors shall be on a discretionary basis and subject to:
- maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to

minimum allotment of ₹ 1 crores per such Anchor Investor; and

- d) in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

**d. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
- In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
- In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the National Stock Exchange of India Limited Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:



- Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

**Individual Investor means an investor who applies for shares of value of more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.**

**The Executive Director / Managing Director of National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com)

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3(Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted [●] equity shares; and
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non- Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **Equity Shares in Dematerialized Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on September 08, 2015.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on July 15, 2025.
- c) The Company's Equity shares bear ISIN No. INE433T01015.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation.

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or before the filing of Red Herring Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

#### **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*"Any person who:*

- I. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- II. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- III. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public

interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“**DPIIT**”), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Under the current FDI Policy, 100% foreign direct investment is permitted in the Cyber Security Sector, under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Issue Procedure – Bids by Eligible NRIs*” and “*Issue Procedure – Bids by FPIs*” on page 295.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 295.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.**

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

**SECTION XIV – MAIN PROVISIONS OF ARTICLE OF ASSOCIATION**

**(THE COMPANIES ACT, 2013)**

**ARTICLES OF ASSOCIATION**

**OF**

**ENCOMPASS DESIGN INDIA LIMITED**

**(Company Limited by Shares)**

**(Formerly Known as Encompass Design India Private Limited)**

Article Number	Description
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***Interpretation***

I

**1. Company to be governed by these articles**

The Regulations contained in Table F, in the First Schedule to the Companies Act, 2013 (Table F), as are applicable to a Public Company Limited by Shares, shall apply to this Company, so far as they are not inconsistent with any of the provisions contained in these Articles or modifications thereof and only to the extent that there are no specific provisions in these Articles.

The regulations for the management of the Company and for the observance by the members thereto and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alterations of, or addition to, its regulations by Resolution, as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

**2. General power**

Wherever in the Act or other laws, it has been provided that the company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is authorized by its articles, then and in that case, this Article authorizes and empowers the Company and its board of directors to have such rights, privileges or authorities to carry such transaction as have been permitted by the Act, without there being any specific article in that behalf and it shall be deemed that the said rights, privileges or authorities are existing in these Articles.

**3. Act to override these articles in case of inconsistency**

Notwithstanding anything contained in these Articles, if any provision of these Articles is inconsistent with the provisions of the Act or any other laws or becomes inconsistent or repugnant with the provisions of the Act or any other laws on account of any amendment or modification or statutory re-enactment thereof, the Company shall be governed and bound by, and the Board shall be deemed to be authorized by these Articles to comply with, the provisions of the Act or any other laws to the extent of inconsistency or repugnancy. \_

In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:

- a) “The Act” means the Companies Act, 2013 and includes rules made there under and any statutory modification, clarification, or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles.
- b) “Articles” shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.
- c) “Annual General Meeting” means a General Meeting of the Members held in accordance with the provision of



Article Number	Description
	section 96 of the Act.
d)	“Auditors” means and includes those persons appointed as such for the time being by the Company.
e)	“Board” or “Board of Directors” means the Directors of the Company collectively, and shall include a committee thereof.
f)	“Beneficial Owner” shall mean beneficial owner as defined in the Depositories Act, 1996.
g)	“Capital” or “Share Capital” shall mean the authorized share capital of the Company.
h)	“Company” shall mean <b>ENCOMPASS DESIGN INDIA LIMITED</b> established as aforesaid.
i)	“Debenture” includes debenture stock, bonds or any other instrument of a company evidencing a debt, whether constituting a charge on the assets of the company or not;
j)	“Document” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.
k)	“Depository” means a Depository as defined under the Depositories Act, 1996.
l)	“Director” means a Director appointed to the Board of the Company.
m)	“Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.
n)	“Extra-Ordinary General Meeting” means an Extraordinary General Meeting of the Members, other than Annual General Meeting, duly called and constituted and any adjourned holding thereof.
o)	“Financial Year” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
p)	“General Meeting” means a meeting of members held in accordance with the Act.
q)	“In Writing” and “Written” include printing lithography and other modes of representing or reproducing words in a visible form and shall include email, and any other form of electronic transmission.
r)	“Independent Director” shall have the meaning ascribed to it in the Act.
s)	“Key Managerial Personnel” shall have the meaning as ascribed to it under Section 2(51) of the Act.
t)	“Legal Representative” means a person who in law represents the estate of a deceased Member.
u)	“Members” or “Shareholders” means the duly registered holders, for the time being of the shares of the Company and in case of shares held in dematerialized form such persons whose name is entered as a beneficial owner in the records of a depository.
v)	“Month” means a calendar month
w)	“Memorandum” shall mean the memorandum of association of the Company, as amended from time to time.
x)	“National Holiday” means and includes a day declared as National Holiday by the Central Government.
y)	“Non-Retiring Directors” means a Director not subject to retirement by rotation.
z)	“Office” means the Registered Office for the time being of the Company and with respect to the keeping and inspection of registers and returns and other matters mentioned in the Act and includes any other place as prescribed by the Act.
aa)	“Ordinary Resolution” and “Special Resolution” shall have the meanings assigned thereto by Section 114 of the Act.
bb)	“Paid-up” in relation to shares includes credited as paid-up.
cc)	“Person” shall be deemed to include corporations and firms as well as individuals.
dd)	“Proxy” means an instrument whereby any person is authorized to vote for a member at a General Meeting or Poll and includes attorney duly constituted under the power of attorney.
ee)	“The Register of Members” means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.

Article Number	Description
<b>ff)</b>	“Seal” means the common seal for the time being of the Company or any other method of Authentication of documents, as specified under the Act or amendment thereto.
<b>gg)</b>	“Secretary” shall have the meaning as ascribed to it under Section 2(24) of the Act.
<b>hh)</b>	“Securities” shall mean securities as defined under the Securities Contract (Regulations) Act, 1956 or any modifications or re-enactment thereof for the time being in force and includes hybrids.
<b>ii)</b>	“Share” means a share in the share capital of a company and includes stock.
<b>jj)</b>	“Shareholder” or “shareholder” or “member” shall mean any shareholder of the Company, from time to time. <b>kk)</b> “Shareholders’ Meeting” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles. “The Statutes” means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.
<b>ll)</b>	“These presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time or any statutory modifications thereof.
<b>mm)</b>	“Variation” shall include abrogation; and “vary” shall include abrogation.
<b>nn)</b>	“Year” means the “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

In these Articles (unless the context requires otherwise):

- References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.
- The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.
- Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- Reference to statutory provisions shall be construed as meaning and including references also to any amendment or reenactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail

- *The marginal notes or headings hereto shall not affect the construction thereof.*
- *Words importing the masculine gender also include the feminine gender.*
- *Words importing the Singular number include where the context admits or requires the plural number and vice versa.*

*Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.*

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#### **Share Capital and Variation of rights**

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| II | 1. Subject to the provisions of the Act and Rules made thereunder the Company shall offer its members facility to hold securities issued by it in dematerialized form and will offer the Securities for subscription in dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any, and the register and index of beneficial |
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Article Number	Description
	<p>owners maintained by the relevant Depository under section 11 of the Depositories Act, 1996, shall be deemed to be the corresponding register and index maintained by the Company.</p> <p>Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the register of members as a holder of any share or whose names appear as beneficial owners of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as required by law) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.</p>
2.	<p>Unless otherwise permitted under the Act or the Depositories Act, 1996, The Company shall offer and allot, and every person subscribing to securities offered by the Company shall hold, the securities in dematerialised form with a Depository. The Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in the records the name of the allottee as the beneficial owner of the security. Such a person who is a beneficial owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed issue to the beneficial owner the required Certificates of Securities.</p> <p>All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 90 and such other applicable provisions of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.</p> <p>(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner. (b) Save and otherwise provided above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it. (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all liabilities in respect of the securities held by a Depository on behalf of the beneficial owner.</p> <p>Notwithstanding anything contained in these Articles, where securities issued by the Company are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.</p> <p>Nothing contained in Section 45 of the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company, shall apply to securities held with a Depository.</p>
3(a)	<p>Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide – (i) one certificate for all his shares without payment of any charges; or (ii) several certificates, each for one or more of his shares, upon payment of Rs. 50 for every certificate or such charges as may be fixed by the Board for each certificate after the first. The charges can be waived off by the Company.</p> <p>(b) Every certificate of shares shall be either under the seal of the company or will be authenticated by (1) two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney and (2) the Secretary or some other person appointed by the Board for the purpose; a Director may sign a share certificate by affixing signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography</p>

Article Number	Description
	<p>but not by means of rubber stamp and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon.</p> <p>(c) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 46 of the Act.</p> <p>(d) Every certificate shall have distinctive number and shall be issued under the Seal, if any, and shall specify the shares to which it relates and the amount paid-up thereon and shall be in such form as may be prescribed and approved by the Board.</p> <p>(e) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof.</p> <p>(f) If any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deems adequate and on payment of out of pocket expenses incurred by the company in investigating the evidence produced, being given, then only with the prior consent of the Board, a duplicate Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate.</p> <p>(g) Every Certificate shall be issued in such manner as prescribed under the Act or Rules framed thereunder or under other applicable laws applicable from time to time.</p> <p>(h) Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees Fifty for each certificate) as the Directors shall prescribe.</p> <p>(i) The particulars of every renewed or duplicate share certificate issued shall be entered forthwith in a Register of Renewed and Duplicate Share Certificates maintained in prescribed format indicating against the name(s) of the person(s) to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross-references in the "Remarks" column.</p> <p>(j) Register shall be kept at the registered office of the company or at such other place where the Register of Members is kept or at other offices of the Company or at the office of Share Transfer Agent of the Company and it shall be preserved permanently and shall be kept in the custody of the company secretary of the company or any other person authorized by the Board for the purpose.</p> <p>(k) All entries made in the Register of Renewed and Duplicate Share Certificates shall be authenticated by the company secretary or such other person as may be authorised by the Board for the purposes of sealing and signing the share certificate.</p> <p>(l) Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p>

Article Number	Description
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(m) The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

(n) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to these articles and the terms of issue.

(o) The Company shall not be bound to register more than three persons as the joint holders of any share.

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4. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as is by these Articles otherwise expressly provided or by law otherwise provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
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5. (a) Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. The Board will have the authority to disallow the right to renounce right shares.

Provided that except with the sanction of the General Meeting, no option or right to call of shall be given to any person by the board.

(b) Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

(c) The Company may issue securities in any manner whatsoever including by way of a preferential offer / private placement, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and / or 62 of the Act and rules framed thereunder as amended from time to time.

(d) The Board or the Company, as the case may be, may by way of rights issue or preferential offer or private placement or any other manner, subject to and in accordance with Act and the Rules, issue further shares to;

- persons who, at the date of the offer, are holders of equity shares of the Company. Such offer shall, unless disallowed by the Board, be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of other person or;
- employees under the employees' stock option or;
- (c) any person whether or not those persons include the persons referred to in clause (a) or clause (b) above;

(e) The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Article Number	Description
	<p>(f) An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.</p> <p>(g) The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.</p> <p>(h) Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.</p> <p>(i) Shares may be registered in the name of individual, any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.</p> <p>(j) The Board shall observe the restrictions as regards allotment of securities to the public, and as regards return on allotments contained in Section 39 of the Act.</p> <p>(k) If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.</p> <p>(l) If and whenever as a result of issue of new or further shares or any consolidation or sub-division of shares or otherwise, any shares held by members become fractional shares, all such fractional entitlement shall, unless otherwise determined or approved the Board or shareholders of the Company, be consolidated into whole shares and be allotted to such person, persons or entities as may be nominated by the Board as trustee for sale thereof in open market through SEBI registered share broker at such price as may be approved by such Trustee(s) in this regard and the net proceeds of such sale shall be distributed to the persons entitled thereto in proportion to their respective fractional entitlement.</p> <p>(m) The Company shall, to the extent applicable, observe the provisions of Sections 89 and 90 of the Act and of other applicable laws dealing with beneficial interest in shares.</p> <p>(n) The Board shall observe the restrictions as regards allotment of securities to the public, and as regards return on allotments contained in Section 39 of the Act.</p> <p>(o) The provisions of these Articles relating to share capital and variation of rights thereon shall mutatis mutandis apply to Debentures and other securities of the Company, as applicable.</p>
6.	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p>



Article Number	Description
	<p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this Article shall apply to such variation.</p> <p>(b) The rights conferred upon the holders of the Shares including Preference Share, if any, of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari-passu therewith.</p>
7.	<p>The Board shall comply with such Rules or Regulations or Requirements of any stock exchange or the Rules made under Securities Contract (Regulations) Act, 1956 or any other Act or Rules applicable for the purpose of these Articles.</p> <p>Provided that any restriction, condition or prohibition required to be included in the Articles of Association pursuant to any such Rules, Regulations or Requirements of any stock exchange or the Rules made under Securities Contract (Regulations) Act, 1956 or any other Act and which are not incorporated in these Articles shall be deemed have effect as if such restriction, condition or prohibition are expressly provided by or under these Articles.</p>
8.	<p>Company shall not give whether directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company, save as provided by Section 67 of the Act.</p>
	<p style="text-align: center;"><b><u>Lien</u></b></p>
9.	<p>(a) The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends, onuses or interest from time to time declared in respect of such shares/ debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. (b) The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p>
10.	<p>For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they think fit but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such Member, his executors or administrators or his committee or other legal representatives as the case may be and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after the date of such notice.</p>
11.	<p>To give effect to any such sale the Board may authorize some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>
12.	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.</p>
	<p style="text-align: center;"><b><u>Calls on shares</u></b></p>
13.	<p>(a) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject</p>



Article Number	Description
	<p>to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(b) A call may be made payable by installments.</p> <p>(c) The option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings.</p> <p>(d) Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.</p> <p>(e) A call may be revoked or postponed at the discretion of the Board.</p> <p>(f) The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.</p>
14.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.
15.	<p>(a) Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.</p> <p>(b) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.</p> <p>(c) If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding ten percent per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.</p>
16.	<p>(a) If by the terms of issue of any share or otherwise any amount is made payable at any fixed time (whether on account of the nominal value of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.</p> <p>(b) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply mutatis mutandis as if such sum had become payable by virtue of a call duly made and notified.</p>
17.	(a) On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, was on the Register of Members as the holder, on or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered; that such money is due pursuant to the terms on which the share was issued; that the resolution making the call was duly recorded in the minute book; and that notice of such call was duly given to the Member or his representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters

Article Number	Description
	<p>aforesaid shall be conclusive evidence of the debt.</p> <p>(b) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.</p>
18.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>
	<b><u>Transfer of shares</u></b>
19.	<p>(a) In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.</p> <p>(b) Every holder of securities of the Company who intends to transfer such securities shall get such securities dematerialised before the transfer;</p> <p>Provided that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed by the Company unless the securities are held in the dematerialized form with a depository.</p> <p>(c) Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities issued by the Company, affected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.</p> <p>(d) A transfer of a security in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution to the instrument of transfer.</p>
20.	<p>Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Board may, at its own absolute and uncontrolled discretion and after assigning the reason for same, decline to register or acknowledge any transfer of shares, whether fully paid or not (notwithstanding that the proposed transferee be already a member), send to the transferee and the transferor notice of the refusal to register such transfer provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.</p>
21.	<p>(a) If the Company refuses to register the transfer of any share or any right therein, the Company shall within</p>

Article Number	Description
	<p>30 days from the date on which the instrument of transfer was lodged with the Company, send notice of refusal to the transferee and transferor, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.</p> <p>(b) There shall be paid to the Company, in respect of the transfer of any number of shares to the same party such fee, if any as the Directors may require. Provided that the Board shall have the power to dispense with the payment of this fee either generally or in any particular case.</p>
22.	<p>(a) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.</p> <p>(b) In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in as prescribed under the relevant Rules hereof as circumstances permit.</p> <p>(c) No transfer shall be made to any minor, insolvent or person of unsound mind unless represented by a guardian.</p>
<b><u>Transmission of shares</u></b>	
23.	<p>In the case of transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.</p>
24.	<p>(a) If the Company refuses to register the transmission of any right therein, the Company shall within 30 days from the date on which the instrument of intimation of transmission was lodged with the Company, send notice of refusal to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.</p> <p>(b) There shall be paid to the Company, in respect of the transmission of any number of shares to the same party such fee, if any as the Directors may require. Provided that the Board shall have the power to dispense with the payment of this fee either generally or in any particular case.</p> <p>(c) (i) In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share (ii) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>
25.	<p>(a) Before recognizing any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider</p>

Article Number	Description
	adequate.
	(b) The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Section 72 of the Act.
26.	<p>(a) Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provisions as prescribed under Act and Rules, and, until he does so, he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.</p> <p>(b) Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.</p> <p>(c) Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.</p>
27.	<p>The Board of Directors shall have power, on giving not less than seven days previous notice in accordance with section 91 and Rules made thereunder, to close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty-five days in each year as it may seem expedient to the Board:</p> <p>Nothing contained in this Article shall be deemed to restrict the Board to fix a record date in substitution of, or in addition to, the closure of Register of Members or debenture holder or other security holders as may be permissible under the provisions of the Act and other applicable laws.</p>
<b><u>Forfeiture of shares</u></b>	
28.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with

Article Number	Description
	any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment.
29.	<p>(a) The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>(b) The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p> <p>(c) If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p> <p>(d) When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid. Provided that option or right to call of forfeited shares shall not be given to any person.</p>
30.	<p>(a) Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.</p> <p>(b) Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding two per cent per annum more than the bank lending rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.</p>
31.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
32.	<p>(a) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.</p> <p>(b) Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.</p> <p>(c) In the meantime, and until any share so forfeited shall be sold, re-allotted or otherwise dealt with as aforesaid,</p>

Article Number	Description
	<p>the forfeiture thereof may at the discretion and by a resolution of the Board, be remitted or annulled as a matter of grace and favour but not as of right, upon such terms and conditions as they think fit.</p> <p>(d) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.</p>
33.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.
34.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.
<b><u>Alteration of capital</u></b>	
35.	<p>(a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time, with power to the Board, subject to applicable statutory provisions, to re-classify, sub-divide, consolidate or increase and with power from time to time, to issue any share of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges or conditions as may be thought fit and upon the sub-division of shares to apportion the right to participate in any manner as between the shares resulting from such sub-division.</p> <p>(b) Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new Shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.</p> <p>(c) The Board shall have the power to issue a part of authorized capital by way of differential voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion, and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.</p>
36.	<p>(a) The Company may in General Meeting or by Postal Ballot, from time to time, by Ordinary Resolution increase its capital by the creation of new shares, which may be classified or unclassified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting or by Postal Ballot resolving upon the creation thereof, shall direct, and if no direction be given, as the Board shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at General Meetings or by Postal Ballot of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.</p> <p>(b) The Company may (subject to the provisions of sections 52, 66 and other applicable provisions, if any, of the Act or any other section as notified) from time to time by Special Resolution reduce - (i) the share capital; (ii) any capital redemption reserve account; or (iii) any security premium account</p>



Article Number	Description
	<p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.</p> <p>(c) Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.</p>
37.	<p>(a) Subject to the provisions of the Act and these Articles, the Company shall have the power to issue preference shares, either at premium or at par which are, or at the option of the Company are, a) liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption or b) to be converted into equity shares on such terms and in such manner as the company before the issue of such shares may, determine.</p> <p>(b) The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.</p> <p>(c) In case of issue of redeemable preference shares in accordance with these Articles, the following provisions shall take effect:</p> <ul style="list-style-type: none"> <li>i) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</li> <li>ii) No such Shares shall be redeemed unless they are fully paid;</li> <li>iii) Subject to section 55(2)(d)(i) of the Act, the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</li> <li>iv) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</li> <li>v) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.</li> </ul>
38.	<p>(a) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, the appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>



Article Number	Description
	<p>(b) The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in the Act and Rules framed thereunder.</p> <p>(c) The Company may provide share-based benefits including but not limited to Stock Options, Stock Appreciation Rights, or any other co-investment share plan and other forms of share-based compensations to Employees including its Directors other than independent directors and such other persons as the rules may allow, under any scheme, subject to the provisions of the Act, the Rules made thereunder and any other law for the time being in force, by whatever name called.</p> <p>(d) Subject to compliance with applicable provision of the Act and Rules framed thereunder and other applicable laws, the Company shall have power to issue depository receipts and other permissible securities in any foreign country and to seek listing thereof on any foreign stock exchange(s).</p> <p>(e) Subject to compliance with applicable provisions of the Act and Rules framed thereunder, the Company shall have power to issue any kind of securities or kinds of share capital as permitted to be issued under the Act and rules framed thereunder.</p> <p>(f) The Company may issue warrants subject to compliance with the provisions of the Act, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any statutory modifications or re-enactment thereof and other applicable laws.</p>

#### **Capitalisation of profits**

- 39.** (a) The Company in General Meeting may, upon the recommendation of the Board, resolve: (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (ii) That such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (b) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b). (c) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this Article, may be applied by the Company for the purposes permissible pursuant to the Act. (d) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
- 40.** (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall — (i) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (ii) generally to do all acts and things required to give effect thereto.
- (b) The Board shall have full power – (i) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (ii) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.

Article Number	Description
	<p>(c) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(d) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p> <p>(e) The member (not being a director) shall have right of inspecting any account or book or document of the Company as conferred by law.</p>
	<b><u>Buy-back of shares</u></b>
41.	Notwithstanding anything contained in these Articles but subject to and in full compliance of the requirements of sections 68 to 70 (both inclusive) and any other applicable provision of the Act and Rules made thereunder, provisions of any re-enactment thereof and any rules and regulations that may be prescribed by the Central Government, the Securities and Exchange Board of India (SEBI) or any other appropriate authority in this regard, the Company may with the authority of the Board or the members in General Meeting, as may be required / and contemplated by Section 68 of the Act, at any time and from time to time, authorize buy-back of any part of the share capital of the Company fully paid-up on that date.
	<b><u>General meetings</u></b>
42.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meeting.
43.	<p>(a) The Company shall in each financial year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. The Annual General Meeting shall be held within a period of six months, from the date of closing of the financial year; provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred on the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours on any day that is not a National Holiday, and shall be held at the Registered Office of the Company or at some other place within the city, town or village where the Registered Office of the Company is situated and the Notices calling the Meeting shall specify it as the Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy or by other authority including by resolution of the Board of the Company or by power of attorney and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Financial Statements, Auditors' Report (if not already incorporated in the Financial Statements), the Proxy Register with proxies and the Register of Directors' shareholding which latter Register shall remain open and accessible during the continuance of the Meeting.</p> <p>(b) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital of the Company as at the date of deposit of the requisition carry the voting rights and in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting.</p> <p>(c) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid</p>

Article Number	Description
	<p>up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.</p> <p>(d) Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Registered Office; provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists.</p> <p>(e) Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Registered Office, to cause a meeting to be called for a day not later than forty-five days from the date of deposit of the requisition, meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.</p>
	<b><u>Proceedings at general meetings</u></b>
44.	<p>(a) Giving not less than clear twenty-one days' notice (either in writing or electronic mode) of every General Meeting, Annual or Extraordinary, specifying the place, date, day, hour, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons, as given under Act, entitled to receive notice from the Company. A General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode a) in case of Annual General Meeting, by not less than ninetyfive percent of the members entitled to vote at such meeting and b) in case of any other General Meeting, by majority in number of members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting. In the case of an Annual General Meeting, if any business other than (i) the consideration of financial statements and the reports of the Board of Directors and auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of, and fixing of the remuneration of, the Auditors is to be transacted, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature or concern (financial or otherwise) and extent of the interest, if any, therein of every Director, Manager, Key Managerial Personnel, and their relatives (if any). Where any item of business consists of the approval of any document the time and place where the document can be inspected shall be specified in the statement aforesaid.</p> <p>(b) The accidental omission to give any such notice as aforesaid to any member, or other person to whom it should be given or the non-receipt thereof, shall not invalidate any resolution passed at any such Meeting.</p> <p>(c) No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.</p> <p>(d) No business shall be transacted at any General Meeting, unless the requisite quorum is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be the presence in person of such number of members as specified in Section 103 of the Act. A body corporate being a Member shall be deemed to be personally present if represented in accordance with Section 113 of the Act.</p>
45.	<p>If, at the expiration of half an hour from the time appointed for the Meeting a quorum of Members is not be present, the Meeting, if convened by or upon the requisition of Members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine; and if at such adjourned Meeting a quorum of Members is not present at the expiration of half an hour from the time appointed for the Meeting, those Members who are present shall be a quorum, and may, transact the business for which the Meeting was called.</p>

Article Number	Description
46.	<p>(a) The Chairperson of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairperson, or if at any Meeting the Chairperson is not present within fifteen minutes of the time appointed for holding such Meeting or is unwilling to act as a Chairperson, then the Directors present shall elect one of them as Chairperson of the meeting, and if no Director be present or if all the Directors present decline to take the chair, then the Members present shall elect one of their number to be Chairperson.</p> <p>(b) No business, except the election of a Chairperson, shall be discussed at any General Meeting whilst the Chair is vacant.</p> <p>(c) In the case of an equality of votes the Chairperson shall on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.</p> <p>(d) Unless a Poll is demanded or voting is carried out electronically, a declaration by the Chairperson that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the said fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.</p>
47.	<p>(a) The Board may in its absolute discretion, on giving not less than 7 (seven) clear days' notice in accordance with these Articles, postpone or cancel any meeting of members except a meeting called pursuant to member's requisition.</p> <p>(b) If a poll is demanded as aforesaid the same shall be taken in such manner as prescribed under the Act.</p> <p>(c) Any poll duly demanded on the election of Chairperson of the meeting or any question of adjournment shall be taken at the meeting forthwith.</p> <p>(d) The demand for a poll except on the question of the election of the Chairperson and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.</p>
48.	<p>(a) The Board, and the persons authorized by it, shall have the right to take and/or make suitable arrangements for ensuring the safety of any meeting – whether a general meeting or a meeting of any class of Security, or of the persons attending the same, and for the orderly conduct of such meeting, and notwithstanding anything contained in these Articles, any action, taken pursuant to this Article in good faith shall be final and the right to attend and participate in such meeting shall be subject to the decision taken pursuant to this Article.</p> <p>(b) Pursuant to the applicable provisions of Companies Act, 2013 read with rules made thereunder and other applicable laws, rules &amp; regulations the Company may provide e-Voting facility to Members.</p>
<b><u>Adjournment of meeting</u></b>	
49.	<p>(a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>(b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>(c) When a meeting is adjourned sine die or for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>(d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>

Article Number	Description
<u><b>Voting rights</b></u>	
50.	<p>(a) No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.</p> <p>(b) Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll (including voting by electronic means) the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.</p>
51.	<p>A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian: and any such committee or guardian may, on a poll, vote by proxy; if any Member be minor, the vote in respect of his share shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairperson of the Meeting.</p>
52.	<p>(a) On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.</p> <p>(b) Where a poll is to be taken, the Chairperson of the meeting shall appoint such number of Scrutiniser(s) who need not be members of the Company, to scrutinize the poll process, votes casted by poll and to report thereon to him subject to provisions of Act for the time being in force. The Chairperson shall have power, at any time before the result of the Poll is declared to remove a scrutinizer from office and to fill vacancies in the office of scrutinizer arising from such removal or from any other cause.</p>
53.	<p>(a) Notwithstanding anything contained in the provisions of the Act and the Rules made there under, the Company may, and in the case of resolutions relating to such business other than the Ordinary business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.</p> <p>Provided that any item of business required to be transacted by means of postal ballot, may be transacted at a general meeting by providing facility to members to vote by electronic means under section 108, in the manner provided in that section.</p> <p>(b) A member may exercise his vote on resolutions proposed to be considered at a general meeting by electronic means in accordance with section 108 of the Act and shall vote only once.</p> <p>(c) At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, or if the voting is carried out electronically, be decided on a show of hands. Such voting in a general meeting or by postal ballot shall also include electronic voting in a General Meeting or Postal Ballot as permitted by applicable laws from time to time.</p>

Article Number	Description
	<p>(d) No Member shall be entitled to vote on a show of hands through Proxy unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorized under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.</p> <p>(e) The Chairperson of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.</p> <p>(f) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.</p>
54.	<p>(a) If there be joint registered holders of any share any one of such persons may vote at any Meeting either personally or by proxy in respect of such shares, as if he were solely entitled thereto.</p> <p>(b) If more than one of such joint-holders be present at any Meeting either personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>(c) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p> <p>(d) Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorized by way of Board Resolution as mentioned in these Articles.</p> <p>(e) A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures or any other Securities) authorize such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.</p> <p>(f) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.</p> <p>(g) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.</p>
55.	<p>Any person entitled under Article 26 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to</p>



Article Number	Description
	<p>vote, he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.</p>
56.	<p>(a) Every company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.</p> <p>(b) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>(c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting or each report in such books shall be dated and signed by the Chairperson of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairperson within that period, by a director duly authorised by the Board for the purpose. In case of every resolution passed by postal ballot, by the Chairperson of the Board within the aforesaid period of thirty days or in the event of there being no Chairperson of the Board or the death or inability of that Chairperson within that period, by a director duly authorized by the Board for the purpose.</p> <p>(d) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise.</p> <p>(e) All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>(f) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairperson of the meeting, (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairperson of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.</p> <p>(g) Any such minutes shall be evidence of the proceedings recorded therein.</p> <p>(h) The book containing the minutes of proceedings of General Meetings or resolutions passed by Postal Ballot shall be kept at the office of the Company and shall be open to inspection by any member during business hours, for such periods not being less in the aggregate than two hours on all working days except Saturdays, Sunday and Public Holidays.</p>
	<b><u>Proxy</u></b>
57.	<p>The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.</p>
58.	<p>An instrument appointing a proxy shall be in the form as prescribed in the Rules made under section 105.</p>
59.	<p>(a) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.</p>



Article Number	Description
	(b) An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and every adjournment thereof or every meeting of the Company or every meeting to be held before a date not being later than twelve months from the date of the instrument specified in the instrument and every adjournment of every such meeting.
<b><u>Board of Directors</u></b>	
60.	<p>Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution.</p> <p>The First Directors of the Company are:</p> <ol style="list-style-type: none"> <li>1. Mr. Amit Dalmia (DIN: 00210919)</li> <li>2. Mrs. Susmita Amit Dalmia (DIN: 02401290)</li> </ol>
61.	<p>(a) The Board shall arrange to maintain at the office of the Company, a Register in the Form prescribed under the Act, containing the particulars of the Directors and Key Managerial Personnel. It shall be the duty of every Director and other persons regarding whom particulars have to be maintained in such Registers to disclose to the Company any matters relating to himself as may be necessary to comply with the provisions of the Act.</p> <p>(b) A Director of the Company shall not be bound to hold any Qualification Shares in the Company.</p>
62.	<p>(a) Whenever the Company enters into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for under-writing, the Directors shall have, subject to the provisions of the Act and notwithstanding anything to the contrary contained in these Articles, the power to agree that such appointer, to appoint by a notice in writing addressed to the Company, one or more persons as a Director or Directors of the Company for such period and upon such conditions as may be mentioned in the agreement. Any Director so appointed is herein referred to as a Nominee Director.</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>
63.	<p>(a) If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that a trustee appointed under the Trust Deed shall have power to appoint a Director of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at any time by the trustee in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A</p>

Article Number	Description
	<p>debenture Director shall not be liable to retire by rotation. A debenture Director shall not be bound to hold any qualification shares.</p> <p>(b) The Directors shall appoint one women director as per the requirements of section 149 of the Act.</p> <p>(c) The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.</p> <p>(d) Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director but so that the total number of Directors shall not at any time exceed the maximum fixed under these Articles. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting but shall be eligible for appointment by the Company as a Director at that Meeting subject to the provisions of the Act.</p> <p>(e) Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, whose appointment shall be subsequently approved by members in the immediate next general meeting, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.</p> <p>(f) The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.</p>
<b>64.</b>	The Company, subject to the provisions of the Act, shall have the power to determine the Directors whose period of office shall be liable to determination by retirement of Directors by rotation or not.
<b>65.</b>	<p>(a) Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board provided that Independent Directors and Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors.</p> <p>(b) The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.</p> <p>(c) Any one or more of the Directors shall be paid such additional remuneration as may be fixed by the Directors for services rendered by him or them and any one or more of the Directors shall be paid further remuneration if any</p>

Article Number	Description
	<p>as the Company in General Meeting or the Board of Directors, as the case may be, shall from time to time determine. Such remuneration and/or additional remuneration may be paid by way of salary or commission on net profits or turnover or by participation in profits or by way of perquisites or in any other manner or by any or all of those modes.</p> <p>(d) If any director, being willing shall be called upon to perform extra services, or to make any special exertion for any of the purposes of the Company, the Company in General Meeting or the Board of Directors shall, subject as aforesaid, remunerate such Director or where there is more than one such Director all or such of them together either by a fixed sum or by a percentage of profits or in any other manner as may be determined by the Directors and such remuneration may be either in addition to or in substitution for the remuneration above provided.</p>
66.	<p>(a) The office of a Director shall be deemed to be vacated in accordance with Section 167 of the Act.</p> <p>(b) The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be re-appointed a Director by the Board of Directors.</p> <p>(c) Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated.</p>
<b><u>Proceedings of the Board</u></b>	
67.	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) The Chairperson or any one Director with the previous consent of the Chairperson may, or the Company Secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.</p> <p>(b) The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting.</p>
68.	<p>Subject to provisions of Section 173 (3) of the Act, notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event, any Independent Director is not present at the meeting called at shorter notice, the decision taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director.</p>
69.	<p>The quorum for a meeting of the Board shall, unless otherwise provided under the Act or other applicable laws, be one-third of its total strength (any fraction contained in that one third being rounded off as one), or two directors whichever is higher and the directors participating by video conferencing or by other permitted means shall also counted for the purposes of this Article. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time. Explanation: The expressions “interested Director” shall have the meanings given in Section 184(2) of the said Act and the expression “total strength” shall have the meaning as given in Section 174 of the Act.</p>
70.	<p>(a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairperson is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then</p>

Article Number	Description
	<p>present to preside at the meeting. (b) Subject to Section 203 of the Act and rules made there under and other applicable laws, one person can act as the Chairperson as well as the Managing Director or Whole-time Director or Chief Executive Officer at the same time.</p> <p>(b) The Board shall be entitled to appoint any person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, as the Chairman Emeritus of the Company.</p> <p>(c) The Chairman Emeritus shall hold office until he resigns his office or a special resolution to that effect is passed by the members in a general meeting.</p> <p>(d) The Chairman Emeritus may attend any meetings of the Board or Committee thereof but shall not have any right to vote and shall not be deemed to be a party to any decision of the Board or Committee thereof.</p> <p>(e) The Chairman Emeritus shall not be deemed to be a director for any purposes of the Act or any other statute or rules made there under or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint. (e) The Board may decide to make any payment in any manner for any services rendered by the Chairman Emeritus to the Company. (f) If at any time the Chairman Emeritus is appointed as a Director of the Company, he may, at his discretion, retain the title of the Chairman Emeritus.”</p> <p>(f) Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairperson will have a second or casting vote.</p>
71.	<p>The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.</p>
72.	<p>(a) Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.</p> <p>(b) The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.</p> <p>(c) (i) A committee may elect a Chairperson of its meetings. (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p> <p>(d)(i) A committee may meet and adjourn as it thinks fit. (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>
73.	<p>Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some</p>

Article Number	Description
	defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.
74.	A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors as are entitled to vote on the resolution.
	<b><u>Resolution by circulation</u></b>
75.	(a) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed and has been approved by a majority of the Directors or members, who are entitled to vote on the resolution:  Provided that, where not less than one-third of the total number of Directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.  (b) A resolution approved by way of circulation shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.
	<b><u>Retirement and rotation of directors</u></b>
76.	(a) Not less than two-thirds of the total number of the Directors of the Company, other than Independent Directors appointed on the Board of the Company, be persons, whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the said Act, be appointed by the Company in General Meeting. The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.  Subject to the provisions of Section 152 of the Act, at every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.  (b) A retiring Director shall be eligible for re-election.
	<b><u>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</u></b>
77.	Subject to the provisions of the Act,— (i) A chief executive officer, manager, company secretary or chief financial officer or any other Key Managerial Personnel may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

Article Number	Description
78.	A provision of the Act or these Articles requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.
	<b><u>The Seal</u></b>
79.	<p>(a) The Board at their option can provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute or not substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p> <p>(c) As authorized by the Act or amendment thereto, if the company does not have a common seal, the authorisation under this clause shall be made by two directors or by a director and the Company Secretary, wherever the company has appointed a Company Secretary or persons acting on behalf of the Directors under a duly registered Power of Attorney and the Secretary or some other person authorized by the Board for the purpose; a Director may sign a share certificate by affixing signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography but not by means of rubber stamp.</p> <p>(d) The seal of the Company, if any shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint/authorize for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p> <p>(e) If the company does not have a common seal, it may use rubber stamps on any or all documents wherever required.</p>
	<b><u>Dividends and Reserve</u></b>
80.	(a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. (b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.
81.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 123 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.
82.	<p>(a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>(b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them</p>

Article Number	Description
	aside as a reserve
83.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
84.	<p>(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p> <p>(b) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.</p> <p>(c) The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.</p>
85.	<p>(a) No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.</p> <p>(b) A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.</p> <p>(c) Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.</p>
86.	<p>(a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct or electronically by NACH/NEFT/RTGS. (b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by forged endorsements on any cheque or warrant, or the fraudulent or improper recovery thereof by any other means.</p>
87.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
88.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.
<b><u>Accounts</u></b>	
89.	No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.
<b><u>Winding up</u></b>	



Article Number	Description
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90. Winding Up of the Company shall be governed by the provisions of the Act or the Insolvency and Bankruptcy Code, 2016 and Rules and Regulations made thereunder or as may be altered from time to time or any statutory modifications thereof.

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**Indemnity**

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91. (a) Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.

The Company may take and maintain any insurance as the Board may think fit on behalf of its directors (present and former), other employees and the Key Managerial Personnel, for insurers to directly meet all claims, losses, expenses, fines, penalties or such other levies, or for indemnifying any or all of them against any such liability for any acts in relation to the Company for which they may be liable.

(b) Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

An Independent Director, and a Non-executive Director, not being a Promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

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***Others***

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92. (a)

**Underwriting and brokerage**

- Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any securities in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any securities in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the Rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
  - The Company may pay on any issue of securities such brokerage as may be reasonable and lawful.
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Article Number	Description
92.(b)	<p><b><u>Nomination</u></b></p> <ul style="list-style-type: none"> <li>Notwithstanding anything contained in these Articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Act, shall apply in respect of such nomination.</li> <li>No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Act, read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014.</li> <li>The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</li> <li>If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</li> <li>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- <ul style="list-style-type: none"> <li>(i) to be registered himself as holder of the security, as the case may be; or</li> <li>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</li> <li>(iii) if the nominee elects to be registered as holder of the security, himself, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder;</li> <li>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</li> </ul> </li> </ul> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>
92(c)	<p><b><u>Conversion of shares into stock</u></b></p> <ul style="list-style-type: none"> <li>The Company may, by ordinary resolution in General Meeting. (a) convert any fully paid-up shares into stock; and (b) re-convert any stock into fully paid-up shares of any denomination.</li> <li>The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</li> <li>The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters,</li> </ul>

Article Number	Description
	<p>as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <ul style="list-style-type: none"> <li>Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.</li> </ul>
92.(d)	<p><b><u>Copies of memorandum and articles to be sent to members</u></b></p> <ul style="list-style-type: none"> <li>A copy of the Memorandum and Articles of Association of the Company and of any other document referred to in Section 17 of the Act shall be sent by the Company to a Member at his request on payment of Rs. 100 or such reasonable sum for each copy as the Directors may, from time to time, decide. The fees can be waived off by the Company.</li> </ul>
92. (e)	<p><b><u>Borrowing powers</u></b></p> <ul style="list-style-type: none"> <li>Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash creditor by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specified purpose) and securities premium account. Nevertheless, no lender or other person dealing with the Company shall be concerned to see or inquire whether this limit is observed.</li> <li>Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</li> <li>Subject to the provisions of these Articles the payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects, as the Board may think fit by a resolution passed at a meeting of the Directors, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.</li> <li>Any bonds, debentures, debenture-stock, Global Depository Receipts or their securities issued or to be issued</li> </ul>

Article Number	Description
	<p>by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider being for the benefit of the Company.</p> <ul style="list-style-type: none"> <li>• If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.</li> <li>• Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.</li> <li>• The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company.</li> <li>• (a) The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act. (b) The Company shall have the power to keep in any State or Country outside India a branch Register of Debenture holders resident in that State or country.</li> <li>• The Directors shall arrange to maintain at the Registered office of the Company a Register of Directors, Key Managerial Personnel, containing the particulars and in the form prescribed by Section 170 of the Act. It shall be the duty of every Director and other persons regarding whom particulars have to be maintained in such Registers to disclose to the Company any matters relating to himself as may be necessary to comply with the provisions of the said sections.</li> <li>• The Directors shall cause to be kept at the Registered Office or such other place(s) as permissible under the Act - (a) a Register in accordance with Section 170 and (b) a Register of Contracts or arrangements of which they are interested, containing the particulars required by Section 189 of the Act. The Registers can be maintained in electronic form subject to the provisions of the Act.</li> <li>• The provisions contained in these Articles relating to inspection and taking copies shall be mutatis mutandis be applicable to the registers specified in this Article.</li> </ul> <p><b>92. (f) <u>Powers of the Board</u></b></p> <ul style="list-style-type: none"> <li>• The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by these Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.</li> <li>• Without prejudice to the general powers conferred by these Articles or the governing laws of the Country and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say- <ul style="list-style-type: none"> <li>a) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorized to carry on, in any part of India.</li> </ul> </li> </ul>

Article Number	Description
	<p>b) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.</p> <p>c) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company</p> <p>d) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p>e) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>f) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit</p> <p>g) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.</p> <p>h) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.</p> <p>i) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.</p> <p>j) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.</p> <p>k) To act on behalf of the Company in all matters relating to bankruptcy and/or insolvency.</p> <p>l) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.</p> <p>m) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realize such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.</p> <p>n) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;</p> <p>o) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts,</p>

Article Number	Description
	<p>acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.</p> <p>p) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>q) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company</p> <p>r) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p> <p>s) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, laborers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p> <p>t) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.</p> <p>u) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of</p>



Article Number	Description
	the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
v)	From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.
w)	To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.
x)	To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.
y)	To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.
z)	To redeem preference shares.
aa)	To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
bb)	To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.
cc)	To purchase or otherwise acquire or obtain foreign license, other license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical knowhow.
dd)	To sell from time to time any articles, materials, and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and byproducts.
ee)	From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.
ff)	To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.
gg)	To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.
hh)	To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.
ii)	Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions



Article Number	Description
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vested in the Directors to any Director, Officers, Committee of the Board, Person(s), Firm, or Company.

- jj) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company as may be necessary or expedient to comply with. Save as provided by the said Act or by these presents and subject to the restrictions imposed by Section 179 of the said Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association or by these presents reposed in them.

92. (g)

**Managing And Whole-Time Directors**

- (a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time appoint one or more of their body to be a Managing Director, Joint Managing Director or Managing Directors or Whole-time Director or Whole-time Directors, Manager or Chief Executive Officer of the Company either for a fixed term or for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. (b) Subject to the provisions of the Act and these Articles, the Managing Director, or the Whole Time Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 191 but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as the resignation and removal of any other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole Time Director if he ceases to hold the office of Director from any cause provided that if at any time the number of Directors (including Managing Director or Whole Time Directors) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole Time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation to the intent that the Directors not so liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being. (c) A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.
- The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes subject to the provision of section 197 and 198 read with schedule V of the Act.
- (a) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (b) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (c) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles. (d) The Managing Director or Whole-time Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the

Article Number	Description
	<p>powers, authorities and discretions for the time being vested in them to any officers of the Company or any persons/firm/company/ other entity for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (e) Notwithstanding anything contained in these Articles, the Managing Director or Whole-time Director is expressly allowed generally to work for and contract on behalf of the Company and especially to do the work of Managing Director or Whole-time Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between them and the Directors of the Company.</p> <ul style="list-style-type: none"> <li>The Managing Director (s) shall not exercise the powers to : (a) make calls on shareholders in respect of money unpaid on shares in the Company; (b) issue debentures; and except to the extent mentioned in a resolution passed at the Board meeting under Section 179 of the Act, he or they shall also not exercise the powers to - (c) borrow moneys, otherwise than on debentures; (d) invest the funds of the Company; and (e) make loans.</li> </ul>
92. (h)	<p><b><u>Foreign register</u></b></p> <ul style="list-style-type: none"> <li>The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.</li> </ul>
92. (i)	<p><b><u>Documents and service of notices</u></b></p> <ul style="list-style-type: none"> <li>Any document or notice to be served or given by the Company be signed by a Director or such person duly authorized by the Board for such purpose and the signature may be written or printed or lithographed or through electronic transmission.</li> <li>Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, any Key Managerial Personnel or other Authorized Officer of the Company (digitally or electronically) and need not be under the Common Seal of the Company and the signature thereto may be written, facsimile, printed, lithographed, Photostat.</li> <li>A document may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by Registered Post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed: Provided that where securities are held with a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic or other mode.</li> </ul>
92. (j)	<p><b><u>Secrecy</u></b></p> <ul style="list-style-type: none"> <li>Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</li> </ul>

Article Number	Description
92. (k)	<b><u>Inspection and Extract of Documents</u></b> <ul style="list-style-type: none"> <li>Subject to provisions of the Act and other applicable laws and of these Articles, the Company may allow the inspection of documents, register and returns maintained under the Act to members, creditors and such other persons as are permitted subject to such restrictions as the Board may prescribe and also furnish extract of documents, registers and returns to such persons as are permitted to obtain the same on payment of such fees as may be decided by Board which shall, in no case, exceed the limits prescribed under the Act.</li> </ul>
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	<sup>(1)</sup> <i>Adoption of New Set of Article of Association Vide Special Resolution Passed at Extra-Ordinary General Meeting Held on 10<sup>th</sup> October, 2015.</i>
	<sup>(2)</sup> <i>Amended and restated Articles of Association adopted vide Special Resolution passed at Extraordinary General Meeting held on December 10, 2024.</i>
	<sup>(3)</sup> <i>The Company has been converted from Private Limited to Public Limited and pursuant to Conversion name of the Company changed from "Encompass Design India Private Limited" to "Encompass Design India Limited" vide Special Resolution passed at the EGM of the company held on March 31<sup>st</sup>, 2025.</i>

## **SECTION XV – 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 the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Draft Red Herring Prospectus, delivered to the Registrar of Companies, for registration. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected online with Registrar of Companies and at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date and online at website of company [www.edipl.in](http://www.edipl.in)

#### **Material Contracts**

1. Issuer Agreement dated July 10, 2025 between our Company and the Book Running Lead Manager to the Issue.
2. Registrar Agreement dated July 10, 2025 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated [●] among our Company, the BRLM and Syndicate Member
7. Share Escrow Agreement dated [●] between our Company, the BRLM and Share Escrow agent.
8. Tripartite Agreement dated July 15, 2025 among CDSL, the Company and the Registrar to the Issue.
9. Tripartite Agreement dated September 08, 2015 among NSDL, the Company and the Registrar to the Issue.

#### **Material Documents**

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Copy of the Board Resolution dated June 09, 2025 authorizing the Issue and other related matters.
3. Copy of Shareholder's Resolution dated July 03, 2025 authorizing the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Practicing Company Secretary, Book Running Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor, Banker to the Issue, Underwriter to the Issue and Market Maker to act in their respective capacities.
5. Peer Review Auditors Report dated June 09, 2025 on Restated Financial Statements of our Company for the years ended March 31, 2025, 2024 and 2023.
6. The Certificate dated July 21, 2025, from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
7. Resolution passed by the Audit Committee of the Company in its meeting held on June 09, 2025 for taking on record the KPIs as presented in this Draft Red Herring Prospectus.
8. Certificate on Repayment of loan issued by our Statutory Auditor dated July 18, 2025.
9. Copy of approval from NSE Emerge vide letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
10. Board Resolution dated July 25, 2025 for approval of Draft Red Herring Prospectus and dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
11. Due Diligence Certificate including site visit report submitted to SEBI dated July 25, 2025 from Book Running Lead Manager to the Issue.

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Mr. Amit Rajendraprasad Dalmia Chairman & Managing Director DIN: 00210919	Sd/-

Date: July 25, 2025

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Mrs. Susmita Amit Dalmia Whole Time Director DIN: 02401290	Sd/-

Date: July 25, 2025

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Mr. Ruman Kailash Agarwal Whole Time Director DIN: 11004779	Sd/-

Date: July 25, 2025

Place: Mumbai



### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Mr. Tejpal Singh Non-Executive Director DIN: 11111989	Sd/-

Date: July 25, 2025

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Ms. Himanshi Tiwari Independent Director DIN: 10545195	Sd/-

Date: July 25, 2025

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

Name and Designation	Signature
Mr. Saahil Prakash Dugar Independent Director DIN: 01186726	Sd/-

Date: July 25, 2025

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

#### **SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Mr. Tarak Amrutlal Nagda Chief Financial Officer	Sd/-

Date: July 25, 2025

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

#### **SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**

Name and Designation	Signature
Mrs. Nikita Dinesh Chandak Company Secretary & Compliance officer M. No.: ACS-55327	Sd/-

Date: July 25, 2025

Place: Mumbai