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Prospectus
Dated: October 01, 2024
100% Book Building Offer

Please read Section 26 and 32 of Companies Act, 2013

DIVYADHAN RECYCLING INDUSTRIES LIMITED

CIN: U39000MH2010PLC202686

REGISTERED OFFICE		CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Maharashtra - 400072, India.		N.A.	Mr. Pramod Kumar Gupta Company Secretary & Compliance Officer	cs@divyadhan.in & + 91- 8928434702	www.divyadhan.in
NAME OF PROMOTER(S) OF THE COMPANY					
Mr. Pratik Gupta and Mr. Varun Gupta					
DETAILS OF OFFER TO PUBLIC, PROMOTERS/ SELLING SHAREHOLDERS					
Type	Fresh Issue Size (By Number of Shares)	OFS* Size (By amount in Rs. Lakh)	Total Issue Size (By Number of Shares)	Eligibility & Share Reservation among NII & RII	
Fresh Issue	37,76,000 Equity Shares of Face Value of Rs.10/- each aggregating up to Rs. 2,416.64 lakhs.	NIL	37,76,000 Equity Shares of Face Value of Rs.10/- each aggregating up to Rs. 2,416.64 lakhs.	The Offer is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations. For details of Share reservation among QIBs, NIIs and RIIs, see “Issue Structure” beginning on page 294.	
*OFS: Offer for Sale					
Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (up to maximum of 10 shareholders)					
Name		Type	No. of shares offered/ Amount in Rs.	WACA in Rs. Per Equity Shares	
			NIL		
P: Promoter, PG: Promoter Group, OSS: Other Selling Shareholders, WACA: Weighted Average Cost of Acquisition on fully diluted basis					
RISKS IN RELATION TO THE FIRST ISSUE					
This being the first public issue of our Company, there has been no formal market for the Equity Shares The face value of our Equity Shares is ₹10 each and the Floor Price and Cap Price are 6.00 times and 6.40 times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in “Basis for Issue Price” on page 86 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or 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 Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 24 of this Prospectus.					
ISSUER’S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 make this 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 of our Company offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated September 06, 2024 from National Stock Exchange of India Limited for using its name in the Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.					
BOOK RUNNING LEAD MANAGER TO THE ISSUE			REGISTRAR TO THE ISSUE		
					
NARNOLIA FINANCIAL SERVICES LIMITED			SKYLINE FINANCIAL SERVICES PRIVATE LIMITED		
Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India			Address: D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020		
Telephone: 033- 40501500; +91- 8130678743			Telephone: +91-11-40450193-97, Fax No: +91-11-26812683		
Email: pankaj.passi@narnolia.com ; ipo@narnolia.com			Email: compliances@skylinerta.com		
Website: www.narnolia.com			Website: www.skylinerta.com ;		
Contact Person: Mr. Pankaj Pasi			Contact Person: Mr. Pawan Bisht		
SEBI Registration Number: INM000010791			SEBI Registration Number: INR000003241		
CIN: U51909WB1995PLC072876			CIN: U74899DL1995PTC071324		
BID/ISSUE PERIOD					
Anchor Bid opens on: September 25, 2024		Bid/ Issue open on: September 26, 2024		Bid/ Issue Closes on: September 30, 2024	

**DIVYADHAN RECYCLING INDUSTRIES LIMITED**

Our Company was incorporated as a Private Limited Company with the name of “Divyadhan Consultants Private Limited” under the Companies Act, 1956 vide certificate of incorporation dated May 03, 2010, issued by Registrar of Companies, Maharashtra, Mumbai, bearing registration no. 202686. Thereafter, the name of the company was changed from “Divyadhan Consultants Private Limited” to “Divyadhan Recycling Industries Private Limited” vide special resolution passed by the members of the company at the Extra Ordinary General Meeting held on September 27, 2023 vide certificate of incorporation dated November 10, 2023. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on December 13, 2023 and the name of our Company changed from “Divyadhan Recycling Industries Private Limited” to “Divyadhan Recycling Industries Limited” & Registrar of Companies, Maharashtra, Mumbai issued a new certificate of incorporation consequent upon conversion dated March 02, 2024 bearing CIN U39000MH2010PLC202686.

Registered Office: 1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Maharashtra - 400072, India.

Tel: + 91- 8928434702, **Fax:** N.A., **Website:** divyadhan.in; **E-mail:** cs@divyadhan.in

Company Secretary and Compliance Officer: Mr. Pramod Kumar Gupta

OUR PROMOTERS: MR. PRATIK GUPTA AND MR. VARUN GUPTA

THE ISSUE

INITIAL PUBLIC OFFERING UP TO 37,76,000 EQUITY SHARES OF RS. 10/- EACH (“EQUITY SHARES”) OF DIVYADHAN RECYCLING INDUSTRIES LIMITED (“DRIL” OR THE “COMPANY”) FOR CASH AT A PRICE OF RS. 64/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO RS. 2,416.64 LAKHS (“THE ISSUE”). OUT OF THE ISSUE, 2,00,000 EQUITY SHARES AGGREGATING TO RS. 128.00 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 35,76,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. 64/- PER EQUITY SHARE AGGREGATING TO RS. 2,288.64 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.39% AND 25.00%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS.10/- EACH AND THE FLOOR PRICE AND CAP PRICE ARE 6.00 TIMES AND 6.40 TIMES OF THE FACE VALUE OF THE EQUITY SHARES, RESPECTIVELY.

The price band and the minimum bid lot will be decided by our company, in consultation with the book running lead manager and will be advertised in all editions of Financial Express (which are widely circulated English daily newspaper) and in all editions of Jansatta (which are widely circulated Hindi daily newspaper), a newspaper, Prahtakaal, of the Mumbai, Maharashtra where our registered office is located), at least two working days prior to the bid/ offer opening date and shall be made available to national stock exchange of India limited (“NSE”, “stock exchange”) for the purpose of uploading on their respective website.

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 in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis (“Anchor Investor Portion”). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (“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 Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising 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 Offer through the ASBA process. For details, see “Issue Procedure” on page 259.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10/-. The Issue Price, Floor Price or the Price band as stated under the chapter titled “Basis for the Issue Price” beginning on page 86 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 24 of this Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 make this 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 of our Company offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated September 06, 2024 from National Stock Exchange of India Limited for using its name in the Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER TO THE ISSUE**REGISTRAR TO THE ISSUE**

Narnolia® NARNOLIA FINANCIAL SERVICES LIMITED	Skyline Financial Services Pvt. Ltd. SKYLINE FINANCIAL SERVICES PRIVATE LIMITED
Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India	Address: D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Telephone: +91- 8130678743	Telephone: +91-11-40450193-97, Fax No: +91-11-26812683
Email: pankaj.passi@namolia.com	Email: compliances@skylinerta.com
Website: www.namolia.com	Website: www.skylinerta.com
Contact Person: Mr. Pankaj Pasi	Contact Person: Mr. Pawan Bisht
SEBI Registration Number: INM000010791	SEBI Registration Number: INR000003241
CIN: U51909WB1995PLC072876	CIN: U74899DL1995PTC071324

BID/ISSUE PERIOD

Anchor Bid opens on: September 25, 2024

Bid/ Issue open on: September 26, 2024

Bid/ Issue Closes on: September 30, 2024

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “Financial Statements”, “Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in these respective sections.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

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

General Terms

Term	Description
“Divyadhan Recycling Industries Limited” or “DRIL”, “We” or “us” or “the Issuer” or “the/our Company”	Unless the context otherwise requires, refers to Divyadhan Recycling Industries Limited, a Company incorporated under the Companies Act, 1956, having Corporate Identification Number U39000MH2010PLC202686 and having Registered Office at 1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Maharashtra - 400072, India.
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your”, or “yours”	Prospective Investor in this issue

Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Divyadhan Recycling Industries Limited, as amended from time to time.
Associate Companies	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 146 of this Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, being Amarnath Sharma & Co., Chartered Accountants, having firm registration number 023868N.
Board of Directors / Board/ Director(s)	The Board of Directors of Divyadhan Recycling Industries Limited, including all duly constituted committees thereof.
Central Registration Centre (CRC)	It’s an initiative of the Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details, please refer http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html
Companies Act	The Companies Act, 2013
Chief Financial Officer	The Chief Financial Officer of our Company being Mr. Pratik Gupta.
Company Secretary	The Company Secretary and Compliance Officer of our Company being Mr. Pramod

and Compliance Officer	Kumar Gupta.
Corporate Promoter	The Company does not have corporate Promoter.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding equity shares of our Company.
Group Companies	In terms of SEBI ICDR Regulations, the term “Group Companies” includes companies (other than promoters and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in “Our Group Companies” on page 164 this Prospectus.
HUF	Hindu Undivided Family.
Independent Director	A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	International Securities Identification Number, in this case being INE0QYI01019.
Key Managerial Personnel / Key Managerial Employees	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 146 of this Prospectus.
MOA / Memorandum of Association	Memorandum of Association of Divyadhan Recycling Industries Limited.
Non-Residents	A person resident outside India, as defined under FEMA.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as the Company’s Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 146 of this Prospectus.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.
Peer Review Auditor	M/s KRA & Co., Chartered Accountants (FRN: 020266N), having a valid Peer Review certificate No. 012550 and having their office at H-1/208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi- 110034.
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 validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoters or Our Promoters	Mr. Pratik Gupta and Mr. Varun Gupta.
Promoters Group	The 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 “Our Promoters Group”. For further details refer page 163 of this Prospectus.
Registered Office	The Registered of our company which is located at 1803, Lodha Supremus, Saki Vihar



	Road, Opp. Telephone Exchange, Powai, Mumbai City, Maharashtra, India, 400072.
Restated Financial Statements	The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for the years ended as at March 31, 2024; March 31, 2023 and March 31, 2022 and the restated statements of profit and loss and the restated cash flows for the years ended March 31, 2024; March 31, 2023; & March 31, 2022 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
ROC	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 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 (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI (Takeover) Regulations or SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as the Company's Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page 146 of this Prospectus.
Stock Exchange/ Exchange	Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited.
Subscribers to MOA	Initial Subscribers to the MOA & AOA being Mr. Prakash Padmanabh Pillai and Mr. Padmanabh Gopal Pillai.

Issue Related Terms

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued as per SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allocation Note	Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
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 Draft Red Herring Prospectus/ Red Herring Prospectus and who has Bid for an amount of at least Rs. 200 lakhs.

Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Offer 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 Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLM.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 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 Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for subscribing to the issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank/ Refund Banker.	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being Axis Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the issue and which is described under chapter titled “Issue Procedure” beginning on page 259 of this Prospectus.
Bid	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum 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 in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form.
Bidder	Any investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid
Bid cum Application Form	Anchor Investor application form or ASBA form (with and without the use of UPI, as may be applicable), whether physical or electronic, which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus.
Bid Lot	2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter.
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made
Book Running Lead Manager or BRLM	The book running lead manager to the Issue, namely Narnolia Financial Services Limited.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to Anchor investors indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the designated stock exchange.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be atleast 105% of the Floor Price.
Client ID	Client Identification Number maintained with one of the Depositories in relation to Demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 Issued by SEBI.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which relevant amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Offer.

Designated Intermediaries/ Collecting Agent	In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub- syndicate members, Registered Brokers, CDPs and RTAs.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com .
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at Intermediaries [www.sebi.gov.in] 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)
Draft Red Herring Prospectus	This Draft Red Herring Prospectus dated June 28, 2024, issued in accordance with Section 26 and 32 of the Companies Act, 2013 and the SEBI (ICDR) Regulations and filed with NSE Emerge for obtaining In- Principle Approval.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE Limited	The Emerge Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The applicant whose name appears first in the Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted.
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and certain other amendments to applicable laws and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI and included in the chapter “Issue Procedure” on page no. 259 of this Prospectus.
Issue/ Issue Size/ Initial Public Offer/Initial Public Offering/ IPO	Initial Public Issue of 37,76,000 Equity Shares of face value of Rs.10/- each fully paid up of our Company for cash at a price of Rs. 64/- per Equity Share (including a premium of Rs. 54/- per Equity Share) aggregating Rs. 2,416.64 Lakhs.
Issue Agreement/	The agreement/MOU dated June 01, 2024 between our Company and the BRLM, pursuant



Memorandum of Understanding (MOU)	to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which Issue closes for subscription i.e. September 30, 2024
Issue Opening Date	The date on which Issue opens for subscription i.e. September 26, 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application.
Issue Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.
Issue Proceeds	Proceeds from the Issue will be, being Rs. 2,416.64 Lakhs.
KPI	Key Performance Indicator
Listing Agreement	The equity listing agreement to be signed between our Company and NSE Limited.
Market Maker	Market Makers appointed by our Company from time-to-time in this being Kantilal Chhaganlal Securities Private Limited having SEBI registration number INB230930138 who have agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Agreement entered into between the BRLM, Market Maker and our Company dated September 13, 2024.
Market Maker Reservation	The Reserved Portion of 2,00,000 equity shares of face value of Rs.10/- each fully paid for cash at a price of Rs. 64 /- per equity share aggregating Rs. 128.00 Lakh for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue/ Offer	The Issue (excluding the Market Maker Reservation Portion) of 35,76,000 Equity Shares of Rs.10/- each of Issuer at Rs. 64/- (including share premium of Rs. 54/- per equity share aggregating to Rs. 2,288.64 /- Lakhs.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 77 of this Prospectus.
Non-Institutional Applicants	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000.
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Price Band	The price band ranging from the Floor Price of Rs. 60/- per Equity Share to the Cap Price of Rs. 64/- per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the BRLM, will be advertised in

	all editions of Financial Express (a widely circulated English national daily newspaper) and in all editions of Jansatta (a widely circulated Hindi national daily newspaper), and a regional language newspaper, Prahtakaal, of Mumbai, Maharashtra where our Registered Office is located), at least two Working Days prior to the Bid/Offer 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 websites.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalise the Offer Price.
Prospectus	The Prospectus dated October 01, 2024 to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. Axis Bank Limited by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers / QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 Lakh, pension fund with minimum corpus of Rs. 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India.
Red Herring Prospectus/RHP	The Red Herring Prospectus dated September 18, 2024 to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Offer Opening Date.
Refund Account	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank	The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registrar/ Registrar to the Offer	Registrar to the Offer being Skyline Financial Services Limited. For more information, please refer “General Information” on page 48 of this Prospectus.
Registrar Agreement	The agreement dated June 28, 2024 entered into between our Company and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIBs and Non-Institutional Investors are not allowed to withdraw or lower their



	Application Amounts (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can withdraw or revise their Application until Offer Closing Date).
SCSB	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case being Axis Bank Limited.
Underwriter	Underwriter to this Issue is Narnolia Financial Services Limited and Kantilal Chhaganlal Securities Private Limited.
Underwriting Agreement	The agreement dated September 13, 2024 entered into between Narnolia Financial Services Limited, Kantilal Chhaganlal Securities Private Limited and our Company.
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Prospectus are open for business. <ol style="list-style-type: none"> 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business. 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

Conventional Terms / General Terms / Abbreviations

Abbreviation	Full Form
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees, the official currency of the Republic of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BIS	Bureau of Indian Standards
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CIRP	Corporate Insolvency Resolution Process
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CEO	Chief Executive Officer
CIN	Corporate Identification Number

CIT	Commissioner of Income Tax
DCS	Distributed Control System
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries of India
MAPIN	Market Participants and Investors' Integrated Database
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NGT	National Green Tribunal
NPV	Net Present Value
NRE Account	Non-Resident External Account
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSE Emerge	Emerge Platform of NSE
OCB	Overseas Corporate Bodies
OSP	Other Service Provider
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax



PCB	Pollution Control Board
PSU	Public Sector Undertaking
QA/QC	Quality Assurance / Quality Control
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
Rs.	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
RERA	Real Estate Regulatory Authority
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
SPV	Special Purpose Vehicle
STT	Securities Transaction Tax
Super Area	The built-up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on
TPDS	Targeted Public Distribution System
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorize blocking of funds on the UPI mobile or other application equivalent to the Bd Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018S
UPI PIN	Password to authenticate UPI transaction
VCF / Venture CapitalFund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable

	laws in India.
WEO	World Economic Outlook

Technical / Industry related Terms

Term	Description
B2B	Business to Business
B2G	Business to Government
BIS	Bureau of Indian Standards
CapEx	Capital Expenditures
CAGR	Compound Annual Growth Rate
CENT	1 cent is equal to 435.56 square feet
CPCB	Central Pollution Control Board
ETPs	Effluent Treatment Plants
IMF	International Monetary Fund
ULBs	Urban Local Bodies
CAG	Controller and Auditor General
DBO	Design, Build, and Operate Model
EMDEs	Emerging Market and Developing Economies
ERA	Effluent Resource Assessment
FMCG	Fast Moving Consumer Goods
GBA	Gross Benefit Analysis
GDP	Gross domestic product
GFCF	Gross Fixed Capital Formation
HDPE	High-Density Polyethylene
IIP	the Index of Industrial Production
ISO	The International Organization for Standardization
MPI report	Multidimensional Poverty Index Report
MRP	Maximum Retail Price
MLD	Million Liters Per Day
MSW	Municipal Solid Waste
O&M	Operation & Maintenance
PFCE	private final consumption expenditure
PLI scheme	Production-Linked Incentive Scheme
PP	Polypropylene (PP)
PPP	Public Private Partnership
RERA	Real Estate Regulatory Authority
R&D	Research and development
SDG	Sustainable Development Goals
SEZs	Special Economic Zones
SPCBs	State Pollution Control Boards
SQ FT.	Square Feet
UOM	Unit of Measures
V	Voltage
VPD	Vacuum Pressure Drying
WOOW	Well Out of Waste
WWT	Water & Wastewater treatment
ZLD	Zero Liquid Discharge



Notwithstanding the foregoing:

- 1. In the section titled “Main Provisions of the Articles of Association” beginning on page number 298 the Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 2. In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 18 and 120 respectively, of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 3. In the section titled “Risk Factors” beginning on page number 24 of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 4. In the chapter titled “Statement of Tax Benefits” beginning on page number 94 of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 5. In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page number 202 of the Prospectus, defined terms shall have the meaning given to such terms in that section.*

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PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in the Prospectus to “India” are to the Republic of India. All references in the Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

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

Financial Data

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements as Restated” beginning on page 173 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12-month period ended 31st March of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements, as Restated” beginning on page 173 of this Prospectus.

Currency and units of presentation

In this Prospectus, references to Rupees or INR or Rs. are to Indian Rupees, the official currency of the Republic of India. All references to \$, US\$, USD, U.S \$ or U.S. Dollars are to United States Dollars, the official currency of the United States of America. All references to million’ / Million’ / Mn’ refer to one million, which is equivalent to ten lacs or ten lakhs, the word Lacs / Lakhs / Lac means one hundred thousand and Crore means ten millions and billion’ / bn’ / Billions’ means one hundred crores.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies



in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

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FORWARD LOOKING STATEMENTS

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

These forward-looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions.

Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- our ability to adapt technological upgradation
- our ability to successfully identify customer requirements and preferences and gain customer acceptance for our products and services;
- our ability to manage our working capital cycles and generate sufficient cash flow to satisfy any additional working capital requirements.
- our ability to maintain quality standards;
- changes in the competition landscape;
- our ability to successfully implement strategy, growth and expansion plans;
- our ability to respond to new innovations in our industry;
- our ability to attract and retain qualified personnel;
- our ability to finance our business growth and obtain financing on favorable terms;
- conflict of Interest with affiliated companies, the promoter group and other related parties;
- general social and political conditions in India which have an impact on our business activities or investments;
- impact of Covid 19 pandemic or any future pandemic;
- market fluctuations and industry dynamics beyond our control;
- developments affecting the Indian economy;

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 24, 120 and 202, respectively of this Prospectus.

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



SECTION II - SUMMARY OF OFFER DOCUMENTS

SUMMARY OF OUR BUSINESS OVERVIEW

Our Company was incorporated as a private limited company with the name of “Divyadhan Consultants Private Limited” under the Companies Act, 1956 vide certificate of incorporation dated May 03, 2010 issued by Registrar of Companies, Mumbai bearing Registration No. 202686. Thereafter, the name of the Company was changed in pursuance of special resolution passed by the members of the company in the Extra Ordinary General Meeting held on September 27, 2023 and the name of our company changed from Divyadhan Consultants Private Limited to Divyadhan Recycling Industries Private Limited & Registrar of Companies, Mumbai issued a new certificate of incorporation consequent to such name change dated November 10, 2023 bearing CIN U93000MH2010PTC202686. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on December 13, 2023 and the name of our Company changed from “Divyadhan Recycling Industries Private Limited” to “Divyadhan Recycling Industries Limited” & Registrar of Companies, Mumbai has issued a new certificate of incorporation consequent upon conversion dated March 02, 2024 bearing CIN U39000MH2010PLC202686.

Our company is into the business of manufacturing of *Recycled Polyester Staple Fibre (R-PSF)* and *Recycled Pellets*. The recycled fibre and pellets are produced from post-consumer PET bottles also known as Polyethylene Terephthalate bottles. Our company started its operations in the financial year 2018-19, by manufacturing *Recycled Polyester Staple Fibre (R-PSF)* at their manufacturing facility based in Baddi, Himachal Pradesh.

SUMMARY OF OUR INDUSTRY

Global Polyester Fiber Industry

Polyester Staple Fiber Market

- The global industry was valued at US\$ 31.8 Bn in 2023
- It is expected to grow at a CAGR of 4.7% from 2024 to 2034 and reach US\$ 52.4 Bn by the end of 2034

Analyst Viewpoint

Expansion in home furnishings sector is fueling the polyester staple fiber market value. Polyester staple fiber finds applications in bedding, curtains, carpets, dresses, pants, shirts, and activewear due to its durability, ease of care, and resistance against wrinkles.

Increase in production of textiles is augmenting the polyester staple fiber market demand. Polyester fiber is the most widely used chemical fiber in the textile sector.

Players operating in the polyester staple fiber industry landscape are investing in recycling to help reduce plastic pollution. They are also launching advanced production processes that offer savings in energy, water, and raw material consumption.

Indian Polyester Fibre Industry

Market Overview

India Polyester Staple Fibre Market has reached USD1.54 billion by 2023 and is anticipated to project robust growth in the forecast period with a CAGR of 4.25% through 2029. Polyester Staple Fibre (PSF) is extensively used in spinning and other textile applications due to its durability, cost-effectiveness, and versatility. In the Indian PSF market, there are two main categories: solid and hollow products. Solid PSF is widely popular in traditional textile manufacturing, known



for its strength and resilience. On the other hand, hollow PSF is gaining traction for its unique properties such as lightweightness and excellent insulation.

However, the widespread use of synthetic fibers like polyester has raised environmental concerns. These fibers are non-biodegradable, posing a significant threat to our ecosystems. To address this issue, the industry must focus on innovation and invest in recycling technologies to ensure the sustainability of PSF production. By adopting these recycling methods, we can minimize the environmental impact and promote a circular economy.

Looking ahead, the future of the Indian PSF market appears promising. The market is expected to witness substantial growth due to rising consumer demand and advancements in manufacturing technologies. Additionally, the growing emphasis on sustainable fashion and the development of recycled PSF present exciting new avenues for growth and expansion. As the industry continues to evolve, it is crucial to prioritize sustainability and explore eco-friendly alternatives to meet the demands of both consumers and the environment.

PROMOTERS OF OUR COMPANY

The promoters of our Company are Mr. Pratik Gupta and Mr. Varun Gupta. For detailed information please refer chapter titled “Our Promoters” and “Our Promoter Group” on page number 159 and 163 respectively of this Prospectus.

ISSUE SIZE

The issue size comprises of fresh issue of 37,76,000 Equity Shares of face value of Rs.10/- each fully paid-up of the Company for cash at price of Rs. 64 /- per Equity Share (including premium of Rs. 54/- per Equity Share) aggregating total issue size amounting to Rs. 2,416.64 Lakhs.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

S. No.	Particulars	Amount (In Rs. Lakh)
1.	Capital Expenditures	1,703.71
2.	General Corporate Purpose	397.93
Total		2,101.64

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

S No.	Name of shareholder	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital	No. ofequity shares	As a % of Issued Capital
Promoters					
1	Pratik Gupta	49,52,816	47.03%	49,52,816	34.62%
2	Varun Gupta	49,52,798	47.03%	49,52,798	34.62%
Total – A		99,05,614	94.06	99,05,614	69.24
Promoter Group					
1	Alka Navinkumar Jain	20	Negligible	20	Negligible
2	Ankita Pratik Gupta	20	Negligible	20	Negligible
3	Nikita Gupta	20	Negligible	20	Negligible
4	Kusum Gupta	20	Negligible	20	Negligible
5	Vinod Kumar Gupta	20	Negligible	20	Negligible
Total – B		100	Negligible	100	Negligible



Public					
1	Public	6,25,000	5.94%	6,25,000	4.37%
2	IPO	-	-	37,76,000	26.39%
Grand Total (A+B+C)		1,05,30,714	100.00%	1,43,06,714	100.00%

SUMMARY OF FINANCIAL INFORMATION

On The Basis of Financial Statements

(Amount in Lakhs)

Particulars	For the Year ended 31 st March 2024	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Share Capital	526.54	500.00	500.00
Reserve and Surplus	764.49	353.23	137.05
Net Worth	1291.03	853.23	637.05
Revenue from operation	5612.99	5733.83	5777.70
Profit after Tax	237.80	216.18	52.91
EPS Basic and Diluted	2.41	2.20	0.54
Total borrowings			
- Long Term	48.08	247.51	460.25
- Short Term	558.56	298.04	339.51

QUALIFICATIONS OF AUDITORS

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

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

Name	By/Against	Civil Proceedings	Criminal Proceeding	Tax Proceedings	Actions by regulatory authorities	Amount Involved (Rs.)
Company	By	-	-	-	-	-
	Against	-	-	2	-	74,698/-
Promoters	By	-	-	-	-	-
	Against	-	-	2	-	7,529/-
Group Companies/Entities	By	2	5	-	-	4,12,22,33,491/-
	Against	6	-	19	-	2,82,99,272/-
Directors other than promoters	By	-	-	-	-	-
	Against	-	-	-	-	-

For further details, please refer to the chapter titled “Outstanding Litigations & Material Developments” beginning on page 217 of this Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 24 of this Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

A summary of contingent liabilities involving our Company is provided below:

(Amount in lakhs)

Particulars	2024-23	2022-23	2021-22
Bank Guarantee	18.00	18.00	-

Income Tax Demand	2.78	2.78	-
Total	20.78	20.78	-

SUMMARY OF RELATED PARTY TRANSACTIONS

The details of Related Party Transactions on the basis of restated financial statements are as Follows:

A	Related Parties and their Relationship
(i)	<u>Key Management Personnel</u>
1	Pratik Gupta
2	Varun Gupta
3.	Ankita Gupta
4.	Nikita Gupta
(ii)	<u>Relative of Key Management Personnel (having transactions with the company)</u>
1	Vinod Kumar Gupta
2	Kusum Gupta
(iii)	<u>Enterprises owned or significantly influenced by Key Management personnel or their relatives</u>
1	Yashash Commodities Pvt Ltd
2	Sonpankhi Shares & Securities Pvt. Ltd.
3	Associated Textile Industries Pvt. Ltd.
4	Proma Industries Ltd
5	YMC India Pvt Ltd
6	Deltech Instruments Private limited
7	Amama Jewels Private limited

(iv) Transactions with Related parties

(Amount in Lakhs)

PARTICULARS	For the Period ending 31 March 2024	For the Period ending 31st March 2023	For the Period ending 31st March 2022
Key Management Personnel			
Director Fees	36.80	24.00	24.00
Loan taken (Varun Gupta)	410.50	100.00	25.00
Loan Repaid (Varun Gupta)	410.50	100.00	25.00
Loan taken (Prateek Gupta)	-	-	-
Loan Repaid (Prateek Gupta)	-	-	-
Relative of Key Management Personnel			
Salary	33.60	24.00	24.00
<u>Loan Taken</u>			
Yashash Commodities Pvt Ltd	30.00	100.00	20.00
Associated Textile Industries Pvt. Ltd.	50.00	-	-
<u>Loan Repayment</u>			
Yashash Commodities Pvt Ltd	30.00	100.00	20.00
Associated Textile Industries Pvt. Ltd.	50.00	-	-
Sonpankhi Shares & Securities Pvt. Ltd.	-	-	-
Vinod Kumar Gupta	-	-	-

(V) Outstanding Balances

(Amount in Lakhs)

PARTICULARS	For the Period ending 31st March 2024	For the Period ending 31st March 2023	For the Period ending 31st March 2022
Key Management Personnel			



Varun Gupta (Remuneration Payable)	1.60	1.01	2.61
Nikita Gupta (Remuneration Payable)	1.60	-	-
Pratik Gupta (Remuneration Payable)	1.60	-	-
Ankita Gupta (Remuneration Payable)	1.60	-	-
Other Related Parties			
Ankita Gupta (Salary Payable)	-	1.48	2.77

For Further details of Related Party Transaction, please refer to the chapter titled financial statement as restated on page 173 of this Prospectus.

FINANCING ARRANGEMENTS

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

WEIGHTED AVERAGE COST OF ACQUISITION OF EQUITY SHARES BY OUR PROMOTERS IN LAST ONE YEAR

The weighted average cost of acquisition of equity shares by our promoters in last one year which has been calculated by taking average amount paid by them to acquire our equity shares is as follows:

Name of shareholders	No. of shares held	Weighted Average Price (in Rs.)
Mr. Pratik Gupta	24,97,816	0.18
Mr. Varun Gupta	24,97,798	0.18

As certified by M/s KRA & Co., Chartered Accountants, dated June 10, 2024.

AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share by our promoters which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Pratik Gupta	49,52,816	5.05
Mr. Varun Gupta	4,952,798	5.05

As certified by M/s KRA & Co., Chartered Accountants, dated June 10, 2024.

DETAILS OF PRE-ISSUE PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus until the listing of the Equity Shares.

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

Following are the details of equity shares issued in the last one year for consideration other than cash or through bonus:

Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment
June 05, 2024	52,65,357	10	NA	Other than Cash	Bonus Issue



SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not done any sub-division or consolidation of its Equity shares in the last one year.

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

Our Company has not filed any exemption application with SEBI as on date of this Prospectus.

This space has been left intentionally.



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 Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page number 120 and 202, respectively, of this Prospectus as well as the other financial and statistical information contained in this Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 173 of this Prospectus.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

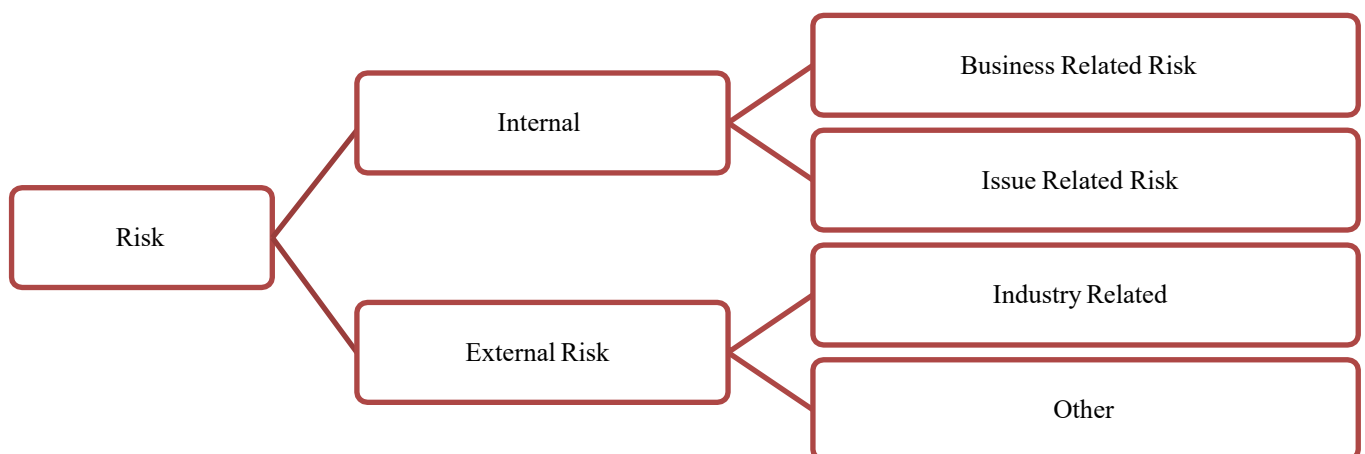
This Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Prospectus. These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

Materiality

The Risk factors have been determined based on their materiality, which has been decided based on following factors:

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.
3. Some events may not be material at present but may have a material impact in the future.

Classification of Risk Factors



Internal & Business-related Risk Factors

1. Our Registered Office from where we operate are not owned by us. If we are required to vacate the same, due to any reason whatsoever, it may adversely affect our business operations.

The premises on which our Registered Office is situated is owned by third parties and the same has been occupied and used by us on a leave and license basis vide Lease Agreement dated March 09, 2024, for the period of 10 years, executed between our Company (Licensee) and Proma Industries Limited (Licensor), a group company of our Company.

We cannot assure you that we will be able to continue the above arrangements on commercially acceptable or favourable terms in future. In the event we are required to vacate the current premises, we would be required to make alternative arrangements for new premises and other infrastructure and facilities. We cannot assure that the new arrangements will be on terms that are commercially favourable to us. If we are required to relocate our business operations during this period, we may suffer a decline in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. For details regarding such leasehold properties, please refer to chapter titled “Our Business” on page 120 of this Prospectus.

2. Our Promoters are involved in certain legal proceedings/litigations. Any adverse decision in such proceedings may render us/them liable to penalties and may adversely affect our business and result of operations.

Our promoters are involved in certain legal proceedings/litigations. These proceedings and litigation pertain to tax proceedings. There are 3 pending tax proceedings against promoters. These proceedings are outstanding as on date of this Prospectus. Any adverse decision in such proceedings may render them liable to penalties and consequently will affect our reputation and our business. Further we cannot assure you that the amount so mentioned is final, these amounts are subject to the conclusion of these proceedings. The details of the proceedings along with amount involved is mentioned as follows:

Name	By/Against	Civil Proceedings	Criminal Proceeding	Tax Proceedings	Actions by regulatory authorities	Amount Involved (Rs.)
Company	By	-	-	-	-	-
	Against	-	-	2	-	74,698/-
Promoters	By	-	-	-	-	-
	Against	-	-	2	-	7,529/-

For further details, refer to the chapter “Outstanding Litigation and Material Developments” beginning on page 217 of this Prospectus.

3. Majority of our state wise revenues from operations for the last 3 years is majorly derived from Himachal Pradesh. Any adverse developments affecting our operations in this state could have an adverse impact on our revenue and results of operations.

Our business operations span various regions across India. Despite this diversified presence, we have a significance dependency on Himachal Pradesh which contributes 88.55%, 94.06%, and 87.17%, to our total revenue for the Financial Years ending on March 31, 2024, March 31, 2023 and March 31, 2022, respectively.



(Amount in lakhs)

State	March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of total revenue	Amount	% of total revenue	Amount	% of total revenue
Himachal Pradesh	4970.38	88.55%	5393.34	94.06%	5036.59	87.17%

Relying heavily on one geographic location exposes us to regional economic fluctuations, regulatory changes, and local market dynamics. Adverse conditions such as economic downturns, political instability, or natural disasters specific to that region could significantly impact our revenue stream and also any decline in the economic prosperity or changes in regulations within that particular region could negatively affect our financial performance.

4. Our group companies are involved in certain legal proceedings/litigations. Any adverse decision in such proceedings may render us/them liable to penalties and may adversely affect our business and result of operations.

Few of our group companies are involved in legal proceedings. Certain civil and criminal litigations were filed by our group companies amounting to Rs. 410 crores. Further our group companies are involved in certain civil and tax proceedings that have been filed against them, amounting to Rs. 67 crores. Total number of proceedings which involves are group companies are 27 which consist of civil, criminal and tax proceedings. Any adverse decision in such proceedings may them liable to penalties. Further we cannot assure you that the amount so mentioned is final, these amounts are subject to the conclusion of these proceedings. Though these proceedings cannot affect our company's business operation directly, however if these litigation or proceeding are decided against our group companies, the related party transactions between us can be affected.

The details of the proceedings along with amount involved is mentioned as follows:

Name	By/Against	Civil Proceedings	Criminal Proceeding	Tax Proceedings	Actions by regulatory authorities	Amount Involved (Rs.)
Group Companies/Entities	By	2	5	-	-	4,12,22,33,491/-
	Against	6	-	19	-	2,82,99,272/-

For further details, refer to the chapter "Outstanding Litigation and Material Developments" beginning on page 217 of this Prospectus.

5. We have had negative cash flows in the past and may continue to have negative cash flows in the future.

The table given below set forth our cash flows for the last three (3) Financial Years:

(Amount in lakhs)

Particulars	For the Financial Year ended on March 31, 2024	For the Financial Year ended on March 31, 2023	For the Financial Year ended on March 31, 2022
Cash flow from operating activities	220.98	442.10	383.51
Cash flow from investing activities	(217.62)	(132.24)	(74.19)
Cash flow from financing activities	196.48	(310.54)	(308.99)

Any such negative cash flows in the future could adversely affect our business, financial condition and results of operations. For more details, kindly refer to the page no. 173 in the chapter title "Financial Information as restated" of this prospectus.



6. The restated financial statements of the company has been provided by the peer reviewed chartered accountant who is not the statutory auditor of the Company.

The restated financial statements disclosed in this Prospectus as per Schedule VI of SEBI (ICDR) Regulations 2018, have not been provided by the statutory auditor of the Company. We have appointed M/s KRA & Co., Chartered Accountants (Peer Review) (FRN: 020266N) having peer review number 012550 for restatement of financial statements, who is not statutory auditor of our Company.

7. Under-utilization of our currently operational manufacturing facilities and any inability to effectively utilize our proposed manufacturing capacity could have an adverse effect on our business, future prospects, and future financial performance.

The details of capacity utilization by our Company in the past periods are shown below:

<i>(In Metric Tons)</i>				
Product Category	Particulars	For the period ended 31st March, 2024	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Recycled Fiber	Installed	8030.00	8030.00	8030.00
	Actual	7059.24	6688.25	6978.85
	%	87.91%	83.29%	86.91%
Recycled Pellets	Installed	2160.00	NA	NA
	Actual	384.00		
	%	17.78%		

Our ability to maintain profitability depends on our ability to optimize the product mix to support high-margin products and utilization of full capacity of our manufacturing facilities. Our capacity utilization levels are dependent on the availability of raw materials, industry/market conditions as well as the requirements of our customers.

In the event we face disruptions at our manufacturing facilities including as a result of unexpected events or temporary schedule maintenance or we are unable to procure sufficient raw materials could result in operational inefficiencies which could impact our actual production and eventually revenue which may affect the results of operations and financial conditions.

8. Certain of our corporate filings and records are not traceable, while certain corporate records have errors. We cannot assure that regulatory proceedings or actions will not be initiated against us in the future, and we will not be subject to any penalty imposed by the competent regulatory authority in this regard.

Certain of our Company's corporate regulatory filings and records are not traceable as the relevant information was not available in the records maintained by our Company or on the online portal of the Ministry of Corporate Affairs ("MCA Portal") or in the physical records available at the ROC details of which are mentioned as follows:

- The Company has allotted 15,000, 5 % cumulative redeemable preference shares on January 25, 2011, the corporate fillings of redemption of these shares are not traceable.
- The Company has allotted 72,000 preference shares on March 02, 2015, the corporate fillings and records of redemption of these shares are not traceable.

While information in relation to these corporate actions has been disclosed in the section "Capital Structure" on page 56 of this prospectus, based on the available records including the ROC, resolutions of our Board, minutes of the meetings of our Board, to the extent available. We may not be able to furnish any further document evidencing such redemption or buy back of such shares.



Although we have initiated to take corrective actions for the errors mentioned above by making visits to concerned offices/ departments of registrar of companies.

We cannot assure you that the abovementioned corporate records will be available in the future or no legal proceedings, or regulatory actions will be initiated against our Company or that any fines will be imposed by regulatory authorities on our Company in this respect in the future.

9. Our company is dependent on one of its customers named PV Fibers LLP, who contributes significant portion of revenue of the company during the last 3 financial years and stub period. Any loss of business from this customer may adversely affect our revenues and profitability.

Our company sold its final product to various customers, “PV Fibers LLP” is one of them. The detail of the sale made to them is mentioned below:

(Amount in lakhs)

Particular	Financial Year 2024-2023	Financial Year 2022-2023	Financial Year 2021-2022
Revenue from operations	5612.99	5733.83	5777.70
Sale to PV Fibers LLP	4942.44	4865.11	4377.57
% of Revenue from operations	88.05%	84.85%	75.77%

*The % has been derived by dividing the total amount received from the abovementioned customers 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.

PV Fibers LLP has been one of the top 10 customers of our company in stub period and three preceding financial years. As mentioned in above table the substantial portion of our revenue from operations generates from PV Fibers LLP. Our company, thus, is dependent on it, for its sales. Uptill now we have been able maintain cordial relation with it, however we cannot assure you that the same will exist and be maintained in long run. In case of any conflict or change in commercial terms and conditions not acceptable to either of the parties or if we are unable to maintain the quality or meet the order commitment, we might lose one of our major customers, which will result significant reduction in revenue from operations which in turn will affect our profitability, liquidity, reduction in cash flows and overall growth of our business.

10. Our Top 10 Suppliers contribute a significant portion of our raw material consumption during the current and previous financial years. Any dispute with one or more of them may adversely affect our business operations.

Our company procures raw materials from various suppliers. As mentioned in the table provided herein below, around 50% to 60% of total raw material purchased is sourced from our top 10 suppliers. During the financial year 2023-2024 our dependency was 62.98% on our top 10 suppliers.

Though we have not faced any instances of difficulty in procuring the raw material. However, we cannot assure you that we will not face any such situations, or the procurement of raw material will be on commercially viable terms. Furthermore, any dispute with any of the suppliers may damage our relationship with existing and potential suppliers, and in any such event our operations will be adversely affected. Further it will also affect our profitability and reputation in the market. The details of raw material consumption from our top 10 suppliers for stub period and for 3 preceding financial year is mentioned as follows:

(Amount in lakhs)

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023	For the period ended March 31, 2022
Top 10 Suppliers	3189.96	3437.20	2419.05
% of Raw material Consumption	62.98%	67.40%	44.06%
Raw material Consumption	5064.94	5099.93	5490.84

11. Inconsistent Product quality could lead to customer dissatisfaction, hampering reputation, sales and business which may materially and adversely affect our business and prospects.

We face inherent business risks of exposure to product liability, in the event that our products fail to meet the required quality standards. Though our company is accredited with ISO 9001: 2015, and ISO 14001: 2019 certifications and we have prescribed stringent quality checks and we continue to improve its resource utilization. We are focussed on improving quality systems and their effectiveness to lessen the incidence of such risks and simultaneously improving its operational efficiencies. However, there can be no assurance that there could still not be some deviation from prescribed quality standards due to factors such as human error.

12. Changes in technology may render our current technologies obsolete or require us to make substantial investments.

Modernization and technology upgradation is essential to reduce costs and increase output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed updated technology, we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a newly found technology in the industry in which we operate, we may be required to implement new technology or upgrade the machineries and other equipment employed by us. Further, the costs of upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

13. We depend on 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 and prospects.

At present, we derive most of our revenues from sale to limited number of customers.

(Amount in Lakhs, except %)

Particulars	For the period ended on March 31, 2024	For the Financial Year ended on March 31, 2023	For the Financial Year ended on March 31, 2022
Revenue from Operations	5612.99	5733.83	5777.70
Top ten (10) Customers	5427.30	5589.64	5594.55
% of top ten (10) Customers to Revenue from Operations*	96.69%	97.48%	96.83%

**The % has been derived by dividing the total amount received from top ten customers 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.*

As our business is currently concentrated among relatively few significant customers, we may experience reduction in cash flows and liquidity if we lose one or more of our major customers or if the amount of business from one or more of them is significantly reduced for any reason, including as a result of a dispute with or disqualification by a major customer.

14. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to procure adequate working capital timely and on favorable terms may have an adverse effect on our operations, profitability and growth prospects.

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favorable terms, it may result into our inability to



finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. The working capital requirement for the period ended on March 31, 2024, March 31, 2023, and March 31, 2022 is given below:

(Amount in Lakhs)

Particulars	For the Financial Year ended on March 31, 2024	For the Financial Year ended on March 31, 2023	For the Financial Year ended on March 31, 2022
Current Assets			
Trade Receivables	340.46	196.10	197.74
Cash & Cash Equivalents	200.50	0.65	1.34
Inventories	452.77	485.49	211.47
Short term loans and advance	19.40	7.09	6.55
Other Current Assets	169.19	61.51	145.40
Total (A)	1182.32	750.84	562.5
Current Liabilities			
Short-Term Borrowings	558.56	298.04	339.51
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises; and	188.81	27.49	25.51
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	130.36	312.43	195.26
Other Current Liabilities	71.33	78.28	65.46
Short-Term Provisions	86.14	79.12	2.08
Total (B)	1035.21	795.36	627.82
Net Working Capital (A)-(B)	147.11	(44.52)	(65.32)

15. *Our Company derive signification portion of revenue from Recycled PET Fiber and any reduction in the sale of such products could have an adverse the business, result of operations and financial condition.*

Our Company derive a significant portion of revenue from Recycled PET Fiber. The Company has generated ₹ 5314.19 Lakhs, ₹ 5,694.22 Lakhs and ₹ 5,616.06 Lakhs from Sale of Recycled PET Fiber consisting of amounting to 94.68%, 99.31% and 97.20% of the total revenue from operations for the financial year ended on March 31, 2024, 2023 and 2022 respectively. Consequently, any reduction in a temporary or permanent discontinuation of Sale of Recycled PET Fiber could have an adverse effect on business of the company, results of operations and financial condition. The details of revenue bifurcation of our company are given below:

(Amount in lakhs)

Particulars	For the period ended 31st March, 2024	% of Total	For the period ended 31st March, 2023	% of Total	For the period ended 31st March, 2022	% of Total
Recycled Fiber	5314.19	94.68%	5,694.22	99.31%	5,616.06	97.20%
Recycled Pellets	148.70	2.65%	Nil	Nil	-	-
Pet Flakes	5.46	0.10%	5.59	0.10%	-	-
PET Recycling by Products	-	-	-	-	112.74	1.95%
Sale of Scrap	60.57	1.08%	34.02	0.59%	48.90	0.85%
EPR Certificates	84.06	1.50%	-	-	-	-

Total	5612.99	100.00	5,733.83	100.00	5,777.70	100.00
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16. Our contingent liabilities as stated in our Restated Financial Statements could adversely affect our financial conditions.

Below are the contingent liabilities, as on March 31, 2024, as disclosed in our Restated Financial Statements in accordance with applicable accounting standards:

Contingent Liabilities and Provisions:

(Amount in lakhs)

Particulars	2023-2024	2022-23	2021-22
Bank Guarantee	18.00	18.00	-
Income Tax Demand	2.78	2.78	-
Total	20.78	20.78	-

In the event, that any of these contingent liabilities or a significant proportion of these contingent liabilities materialize, our future financial condition, result of operations and cash flows may be adversely affected. For further information about the contingent liabilities, Please refer to the chapter titled “Financial Information” on page 173 of this Prospectus.

17. Our Company may incur penalties or liabilities for non-compliances with certain provisions of the GST Act, ESI, PF, and other applicable laws in the past Years.

Our Company have incurred certain penalties for non-compliance with certain provisions including lapsed/ made delay in certain filings and/or erroneous filing/ non-filing of e-forms under GST, ESI, and PF and other applicable law in the past years. Such non-compliances/delay Compliances/ erroneous filing/ Non-Filing/ Non-Registration may incur the penalties or liabilities which may affect the results of operations and financial conditions of the company in near future.

The details of late filings in past years are given below:

Financial Year	Return Type	Return Period	Due Date	Filing Date	Delayed No. of days
GST Act					
Himachal Pradesh					
2021-22					
	GSTR3B	April	20-05-2021	21-05-2021	1
	GSTR3B	July	20-08-2021	23-08-2021	3
	GSTR3B	August	20-09-2021	23-09-2021	3
	GSTR3B	October	20-11-2021	22-11-2021	2
2020-21					
	GSTR-1	April	26-05-2020	11-06-2020	16
	GSTR-1	May	11-06-2020	16-06-2020	5
	GSTR-1	December	11-01-2021	12-01-2021	1
	GSTR3B	October	20-11-2020	21-11-2020	1
	GSTR3B	November	20-12-2020	21-12-2020	1
2019-20					
	GSTR-1	August	11-09-2019	16-09-2019	5
	GSTR-1	September	11-10-2019	18-10-2019	7
	GSTR-1	November	11-12-2019	12-12-2019	1
	GSTR-1	December	11-01-2020	13-01-2020	2
	GSTR-1	March	11-04-2020	05-06-2020	55



	GSTR3B	July	20-08-2019	21-08-2019	1
	GSTR3B	August	20-09-2019	26-09-2019	6
	GSTR3B	September	20-10-2019	08-11-2019	19
	GSTR3B	October	20-11-2019	28-11-2019	8
	GSTR3B	November	20-12-2019	04-01-2020	15
	GSTR3B	December	20-01-2020	31-01-2020	11
	GSTR3B	January	20-02-2020	27-02-2020	7
	GSTR3B	March	20-04-2020	05-06-2020	46
	GSTR9	Annual	28-02-2021	30-03-2021	30
	GSTR9C	Annual	28-02-2021	30-03-2021	30
EPF Act					
2023-24					
		January	15-02-2024	16-02-2024	1
2021-22		June	15-07-2021	21-07-2021	6
		September	15-10-2021	18-10-2021	3
		October	15-11-2021	23-11-2021	8
		December	15-01-2022	19-01-2022	4
2020-21		April	15-05-2020	16-05-2020	1
		December	15-01-2021	16-01-2021	1
2019-20		June	15-07-2019	16-07-2019	1
		July	15-08-2019	16-08-2019	1
		August	15-09-2019	21-09-2019	6
ESI Act					
2023-24		September	15-10-2023	17-10-2023	2
		November	15-12-2023	16-12-2023	1
		January	15-02-2024	16-02-2024	1
2022-2023					
		May	15-06-2022	22-06-2022	7
		June	15-07-2022	16-07-2022	1
		August	15-09-2022	20-09-2022	5
2021-22					
		June	15-07-2021	20-07-2021	5
		July	15-08-2021	16-09-2021	32
		August	15-09-2021	29-09-2021	14
		September	15-10-2021	19-10-2021	4
		October	15-11-2021	30-11-2021	15
		February	15-03-2022	17/03/2022	2
2020-21					
		April	15-05-2020	03-06-2020	19
		May	15-06-2020	22-06-2020	7
		July	15-08-2020	24-08-2020	9
		September	15-10-2020	20-10-2020	5
		October	15-11-2020	19-11-2020	4
		December	15-01-2021	27-01-2021	12
		January	15-02-2021	19-02-2021	4
		March	15-04-2021	03-05-2021	18
2019-20					

		April	15-05-2019	17-05-2019	2
		June	15-07-2019	16-07-2019	1
		July	15-08-2019	21-08-2019	6
		August	15-09-2019	19-09-2019	4
		October	15-11-2019	18-11-2019	3
		December	15-01-2020	20-01-2020	5
		January	15-02-2020	20-02-2020	5
		February	15-03-2020	21-03-2020	6
		March	15-04-2020	03-06-2020	49

The reasons for such delay was attributable to the operational issue, such as website glitch or change in respective online portal, there was delay in filling of the GST and EPF and ESI returns. However, we have paid the due amount along with interest to comply with the provisions of the law. Although, the Company has taken following steps to address such delays such as:

1. Training and development sessions for the staff.
2. Collaboration with tax consultants and legal advisors, wherever required.

18. *Our company's Board of Directors does not have any experience of listed companies.*

Our company's Board of Directors consists of both executive and non-executive directors, and neither of our executive directors does have any experience of listed companies. This inexperience gives rise risks including not limited to compliance risk making us more prone to fines and penalties or notices from regulatory authorities which in turn give rise to reputational risk and governance risk. Furthermore, directors may not provide effective guidance or give erroneous disclosures or intimation as required.

To lessen the effects of this risk and considering the importance of board diversity and background of directors to make quality contributions we have appointed Independent Directors which are either currently holding a position in listing entity or were holding a position of Director or Key Managerial Personnel, thus bring on board their current and past experience of working of listed entities, will assist the executive directors in facing the challenges arising from their inexperience.

19. *Our Company's success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.*

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results our operations.

20. *Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/or surplus of raw material, which could have a material adverse impact on our profitability.*

We monitor our inventory levels based on our projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we make raw material procurement decisions well in advance of sales for our products. An inaccurate forecast of demand for any product can result in the unavailability/surplus of raw material. This unavailability of raw material in high demand may depress sales volumes and adversely affect customer



relationships. Conversely, an inaccurate forecast can also result in an over-supply of raw material, which may increase costs, negatively impact cash flow and financial results.

21. Our Company's operation and growth is dependent upon successful implementation of our business strategies.

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

22. Any shortage or non-availability of electricity or water and associated price fluctuations may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.

Our business operations are dependent on the availability of utilities such as electricity, and water. In case of Any shortage or non-availability of electricity or water and associated price fluctuations may have an adverse effect on our business, results of operations and financial condition.

There can be no assurance that our Company shall be in a position to successfully avoid and/or proficiently manage any disruption(s) in our manufacturing operations at any or all of our facilities in a timely manner or at all due to any failure on our part to obtain alternate sources of electricity, r water, in a timely fashion, and at an acceptable cost and any such failure may have an adverse effect on our business, results of operations and financial condition.

23. An inability to comply with environmental laws and other regulatory requirements in relation to Waste Management may adversely affect our business, financial condition and results of operations.

Our business operation is subject to a wide range of safety and environmental laws and regulations. Compliance with these laws and regulations is essential to ensure the well-being of our employees, protect the environment, and maintain our business operations. These laws include The Environment (Protection) Act of 1986 ("EPA"), The Air (Prevention and Control of Pollution) Act, 1981, ("Air Act"), The Water (Prevention and Control of Pollution) Act, 1974, ("Water Act"). Violations of these laws and regulations can lead to fines, penalties, or litigation, which may have adverse effects on our business, financial condition, and results of operations. Compliance with these environmental protection laws and regulations is crucial to minimize the impact of our operations on air and water quality, as well as to protect ecosystems and public health. Failure to comply with these laws could result in penalties, legal actions, or reputational damage.

24. We do not have long-term contracts with our suppliers and therefore, there may be potential unavailability of raw materials in future, which may adversely affect our business operations.

In order to execute our business operation smoothly we required various types of raw materials on time. Any delay in the procurement of these raw materials could hamper our ability to fulfill commitments within specified timelines, thereby affecting our reputation for timely project deliveries.

Also, we generally do not enter into agreements with our suppliers and transact with them on an order-by-order basis, and we cannot assure you that we will continue to enjoy uninterrupted relationships with our suppliers in the future. If we are unable to obtain adequate supplies of raw materials in a timely manner or on commercially acceptable terms, the

cost of raw material consumption can increase, which could have an adverse effect on our business, prospects, results of operations and financial condition.

25. *Fluctuation of Interest rate may adversely affect the Company's business.*

For meeting capital requirement in ordinary course of our business, we have or may enter into certain borrowing agreements to meet those requirements. In the event interest rates increase, the cost of borrowing will also be increased, which will have an adverse effect on cash flow and profitability.

As on March 31, 2024, our Company has a total outstanding secured borrowings from banks and financial institutions aggregating to Rs 586.64 lakhs as per the certificate issued by M/s KRA & Co., chartered accountants, dated September 14, 2024.

For Further Information, please refer to the chapter titled “Financial Indebtedness” on page 216 of this Prospectus.

26. *Our business operations are subject to various operating risks at our sites, accidental risk, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.*

Our business operations are subject to operating risks, such as breakdown or failure of plant & machineries and equipments used at the sites, shortage of consumables, performance below expected levels of output or efficiency, natural disasters, and labour disputes. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown / shutdown of business operations may have a material adverse effect on our business operations and financial conditions.

Further, the usage of machinery, handling of materials by labour during the waterwaste management industrial set ups and geo technical specialized solutions, testing of water samples or otherwise, lifting of materials by humans, etc. may result in accidents, which could cause injury to our labours, employees, other persons on the site and could also damage our properties thereby affecting our operations. The occurrence of accidents could hamper our process and consequently affect our profitability.

27. *Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a credit rating agency registered with the Board and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Issue because of which our business, financial condition and results of operations may be adversely affected.*

We intend to use the Net Proceeds for the purposes described in chapter titled “Objects of the Issue” on page 77 of this Prospectus. All the funding requirements mentioned as a part of the objects of the Issue have not been appraised by any credit rating agency registered with the Board. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent credit rating agency.

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only for Issue size above ₹ 100 crores. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the Audit Committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

28. *We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. We are yet to place orders for such capital expenditure.*



As on the date of Prospectus, we operate from our manufacturing facilities located at Solan, Himachal Pradesh. Further, we are expanding our operations by purchasing plant, machinery and equipment to be installed at our existing manufacturing facility for the production of Recycled Polyester Fiber, and Recycled Pellets.

Our Company has identified the plant, machinery and equipment it intends to purchase and install at our existing manufacturing facility, which includes machineries which are PET Wash line, along with certain ancillary equipment, and Effluent Treatment Plant.

Estimated Total Cost for purchase of Plant and Machinery is Rs. 1,703.71 lakhs. The orders are yet to be placed for the plant & machinery to be purchased, there can be no assurance that we will be able to place orders for such machinery and equipment in a timely manner or at all. Further, in the event of any delay in placement of such orders, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

For further details of which is briefly mentioned under chapter titled “Object of the Issue”, beginning from page no 77 of this Prospectus.

29. *Documentary evidence of one of our directors with respect to the work experience is not available.*

Mr. Manoj Kumar, Non-Executive Director of our Company w.e.f. April 01, 2024. He started his professional career in, “Home Care Enterprises” in Parvanu Himachal Pradesh where he worked there for 4 years, and his role involved managing installation and operations of D2H Connections for Videocon. Thereafter in 2013 he joined “Excel Marketing Enterprises”, managing installations and Operations for Airtel D2H connections in Shimla. However, the documentary evidence pertaining to these work experiences is not available.

30. *The Logo of our Company has not been registered under the Trade Marks Act, 1999.*

We have filed an application for registration of our company’s logo, which is under the process of registration under Trademarks Act, 1999. The complete details of trademarks are given in Chapter “Our Business” beginning on page no. 120 of this Prospectus. In the event we are not able to obtain registrations in respect of such trademark applications, we may not be able to obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered logos and trademarks. Consequently, we are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party.

31. *Our Company has entered certain related party transactions in the past and may continue to do so in the future.*

Our Company has entered several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered transactions with other related parties. However, the related party transactions entered with Promoters/ Directors/ Promoter Group is in compliance with Section 188 of Companies Act, 2013 and other applicable laws and we confirm that the future transactions shall be in compliance with Companies Act, SEBI Regulation etc.

For further details, please refer to the chapter titled “Financial Information – Restated Financial Information – “Note 31” Restated Statement of Related Party Transactions”. While we believe that all our related party transactions have been conducted on an arm’s length basis as per the Companies Act, 2013, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

32. *In addition to normal remuneration, other benefits and reimbursement expenses of some of our Directors (including our Promoters) and Key Management Personnel, who are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.*

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. As a result, our directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. We cannot assure you that our directors or our Key Management Personnel would always exercise their rights as shareholders to the benefit and best interest of our Company, thereby adversely affecting our business and results of operations and prospects.

33. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risk.*

Internal controls are checks and measures providing reasonable assurance about the achievement of objectives set by the board of the company, ensuring integrity of financial and other reporting and helping in detection and prevention of frauds. There are chances of circumventing such controls due to collusion or human error.

Even though our company has not encountered any instances of failure of the internal control system during the preceding 3 financial years or during the stub period, we cannot provide assurance that such instances will not occur in the near future. We also cannot be assured that efficiency and effectiveness of internal control will be always maintained or we will be able to implement adequate measures to rectify or mitigate any such deficiencies in internal control. If internal control weaknesses are not identified or necessary changes are not carried out, it may adversely affect our business, results of operations and financial condition.

34. *Certain Agreements, deeds or licenses and certificates may be in the previous name of the company, we have to update the name of our company in all the statutory approvals and certificates due to the conversion of our Company.*

Our company Divyadhan Recycling Industries Limited was converted into public limited company vide special resolution passed in the Extra-Ordinary Meeting of the company held on December 13, 2023. Our certain agreements, deeds or licenses and certificates may be in the name of the erstwhile name of the company Divyadhan Recycling Industries Private Limited and Divyadhan Consultants Private Limited and we would require to update all of them.

However, we cannot guarantee that we will be able to update all these in a timely manner and in case of failure to do so, it may affect our company's business and operations. Further, we may also face legal and financial complications, increased compliance costs, which may have an adverse effect on our company's financial condition and performance.

35. *We are subject to stringent labour laws or other industry standards and any strike, work stoppage, Lock-out or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition and results of operations.*

Since our company is a manufacturing concern, we require a lot of manpower in carrying out our manufacturing process and thereby we are subject to numerous labor laws for the protection of labor. Though, there have been no instances of strike, work stoppage, Lock-out or increased wage demand by the employees or any kind of industrial action during last 3 years or stub period, we cannot assure that the same will not happen in future or if happens will be resolved in timely manner. In the event of any strike, lock outs, work stoppage, increased wage demand or any action from labor or other



industrial action in the future because any such action could adversely affect our business, results of operation and financial condition and reputation in the market.

36. *Significant differences exist between Indian GAAP and other accounting principles, such as Ind AS, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.*

Our restated summary statements of assets and liabilities, restated summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Fiscals Year 2024, 2023 and 2022 have been prepared in accordance with the Indian GAAP.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. Ind AS, US GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Financial Information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

37. *Our Company has not paid any dividend in past 3 financials years and our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.*

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and declaration of dividend will depend upon financial performance of our Company at the time of declaration. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements (if any) in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past and there can be no assurance that our Company will declare dividends in the future. For further details, please refer to the chapter titled "Dividend Policy" on page 172 of this Prospectus.

38. *Industry information included in this Prospectus has been derived from an industry report from various websites. The reliability on the forecasts of the reports could be incorrect and would significantly impact our operations.*

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this 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 Prospectus.



39. *Our Company's future funding requirements, in the form of further issue of capital or other securities and/or loans that might be availed by us, may turn out to be prejudicial to the interest of the shareholders depending upon the terms and conditions on which they are raised.*

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

40. *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 of the shares proposed to be offered through this Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 22 of this Prospectus.

41. *Our insurance coverage in connection with our business may not be adequate and may adversely affect our operations and profitability.*

Our Company has obtained insurance coverage in respect of certain risks. For further details in relation to our Insurance, please refer to the section titled - Insurance in the chapter titled "Our Business" beginning on page 120 of this Prospectus. The insurance policies are renewed periodically to ensure that the coverage is adequate, however, our insurance policies do not cover all risks. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely.

Issue Related Risk Factors

42. *There are certain restrictions on daily movements in the price of Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.*

Following the Issue, we will be subject to a daily circuit breaker imposed by NSE, 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 on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can 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.

43. *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 Exchanges may fluctuate as a result of the factors, including:

- Volatility in the Indian and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors,
- Adverse media reports on Company or pertaining to our Industry;
- Changes in our estimates of performance or recommendations by financial analysts; and



- Significant developments in India's economic and fiscal policies;

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 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.

44. Market price of our share will be decided by market forces and issue price of equity share may not be indicative of the market price of our share price after the issue.

After listing and trading permission of equity shares, the price of the shares shall be driven by free market forces. The market price of a company's share is determined by the forces of supply and demand in the stock market. These forces are influenced by a variety of factors, including the company's financial performance, industry trends, economic conditions, and investor sentiment.

When a company issues equity shares, it sets an issue price based on various factors such as the company's valuation, the prevailing market conditions, and the demand for its shares. However, the issue price is not necessarily indicative of the market price of the shares after the issue.

Once the shares are listed on the stock exchange, their price is determined by the forces of supply and demand in the market. If there is strong demand for the shares, the price may rise above the issue price, and if there is weak demand, the price may fall below the issue price.

Therefore, while the issue price of equity shares provides a starting point for the company's valuation, it is not necessarily a reliable indicator of the market price of the shares after the issue. Investors should carefully evaluate all relevant factors and information before making investment decisions in the stock market.

External Risk Factors

45. Outbreaks of contagious diseases, such as the recent outbreak of COVID-19, may have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

India experienced multiple waves of COVID-19 which had impacted global supply chains and resulted in shortages of materials and components used in the manufacturing operations and an inability to meet the manufacturing targets and this impact continues till date. The COVID-19 pandemic had resulted in restrictions on travel and transportation and prolonged closures of workplaces, businesses and schools, with employees being asked to work from home and citizens being advised to stay at home. Consequently, there was a significant disruption in attendance at the manufacturing facilities.

There can be no assurance that any future outbreak of contagious diseases will not have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

46. Changes in the Government Policy could adversely affect economic conditions in India generally and our business in particular.

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

47. *A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition and cash flows.*

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the country in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand, global economic uncertainty and liquidity crisis, volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows.

48. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

49. *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 STT, GST, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

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

Capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gain being long term capital gain amounting to upto one lakhs rupees provided Securities Transaction Tax ("STT") is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares is 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.

51. *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.

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

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

Particulars	Details of Number of Shares
Issue of Equity Shares by our Company	37,76,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 64/- per Equity Share aggregating to Rs. 2,416.64 Lakh.
Reserved for Market Makers	2,00,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 64/- per Equity Share aggregating to Rs. 128.00 Lakh.
Net Issue to the Public	35,76,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 64/- per Equity Share aggregating to Rs. 2,288.64 Lakh.
Of which:	
A. QIB portion **	Not more 17,86,000 than Equity Shares
Of which	
(a) Anchor Investor Portion	Upto 10,70,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 64 /- per Equity Share aggregating to Rs. 684.80 Lakhs.
(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)	Upto 7,16,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 64 /- per Equity Share aggregating to Rs. 458.24 Lakhs.
Of which:	
(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto 34,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 64/- per Equity Share aggregating to Rs. 21.76 Lakhs.
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto 6,82,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 64 /- per Equity Share aggregating to Rs. 436.48 Lakhs
B. Non – institutional portion **	Not Less than 5,38,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 64 /- per Equity Share aggregating to Rs. 344.32 Lakhs
C. Retail portion **	Not Less than 12,52,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 64 /- per Equity Share aggregating to Rs. 801.28 Lakhs
Pre-and Post-Issue Equity Shares:	
Equity Shares outstanding prior to the Issue	1,05,30,714 Equity Shares of Rs.10/- each
Equity Shares outstanding after the Issue	1,43,06,714 Equity Shares of Rs.10/- each
Use of Proceeds	Please see the chapter titled “Objects of the issue” on page 77 of this Prospectus for information about the use of Net Proceeds.

***As per the Regulation 253 of the SEBI (ICDR) Regulations, 2018, as amended, as present issue is a Book Building issue the allocation is the net offer to the public category shall be made as follows:*

- a) *Not less than Thirty five percent to retail individual investor;*
- b) *Not less than Fifteen percent to non-institutional investor*
- c) *Not more than fifty percent to qualified institutional buyers, five percent of which shall be allocated to mutual funds.*

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.



Provided further that in addition to five percent allocation available in terms of clause (C), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.

Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Issue Procedure" on page 259 of this prospectus.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law.

Notes

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.*
- 2) The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on June 01, 2024 and by our Shareholders pursuant to a resolution passed at the Extra Ordinary Meeting held on June 04, 2024. This Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled "Issue Structure" beginning on page no. 294 of this Prospectus.*

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SUMMARY OF OUR FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amt. In Lakhs)

Particulars		Note No.	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
I.	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share capital	2	526.54	500.00	500.00
	(i) Share Application Money				
	(b) Reserves and surplus	3	764.49	353.23	137.05
	(c) Money received against share warrants				
2	Share application money pending against allotment				
3	Non-current liabilities				
	(a) Long-term Borrowings	4	48.08	247.51	460.25
	(b) Deferred Tax Liability (Net)	5	26.39	30.68	33.88
	(c) Other Long-term liabilities				
	(d) Long-Term Provisions	6	11.40	11.86	8.75
4	Current liabilities				
	(a) Short-Term Borrowings	7	558.56	298.04	339.51
	(b) Trade payables	8			
	(i) Total Outstanding dues of Micro and Small Enterprises and		188.81	27.49	25.51
	(ii) Total Outstanding dues other than Micro and Small Enterprises		130.36	312.43	195.26
	(c) Other current liabilities	9	71.33	78.28	65.46
	(d) Short-Term Provisions	10	86.14	79.12	2.08
	TOTAL		2412.11	1938.64	1767.74
II	ASSETS				
1	Non-current assets				
	(a) Property, Plant and Equipment and Intangible assets	11			
	(i) Property, Plant and Equipment		1229.79	1187.80	1205.24
	(ii) Intangible Assets				
2	Current assets				
	(a) Current Investments		-	-	-
	(b) Inventories	12	452.77	485.49	211.47
	(c) Trade receivables	13	340.46	196.10	197.74
	(d) Cash and cash equivalents	14	200.50	0.65	1.34
	(e) Short-term loans and advances	15	19.40	7.09	6.55
	(f) Other Current Assets	16	169.19	61.51	145.40
	TOTAL		2412.11	1938.64	1767.74

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FINANCIAL STATEMENT OF PROFIT & LOSS AS RESTATED

(Amt in Lakhs)

Particulars	Note No	For the Period ending 31 ST March 2024	For the Period ending 31st March 2023	For the Period ending 31st March 2022
I. Revenue from operations	17	5612.99	5733.83	5777.70
II. Other Income	18	299.89	81.69	203.82
III Total Income (I+II)		5912.88	5815.51	5981.52
IV Expenses:				
Cost of Material Consumed	19	5064.94	5099.93	5490.84
Change in Inventory (Finished goods/WIP)	20	22.50	(2.89)	(8.71)
Employee benefit expense	21	90.16	96.52	85.52
Financial costs	22	64.61	56.33	75.69
Depreciation and amortization expense	11	176.18	150.27	141.69
Other expenses	23	165.09	115.28	124.22
Total Expenses		5583.48	5515.45	5909.26
VI Exceptional Items				
VII Profit before extraordinary items and tax		329.39	300.07	72.26
VIII Extraordinary Items				
IX. Profit before tax (VII-VIII)		329.39	300.07	72.26
X. CSR Expense				
Contribution for CSR		-	-	-
X. Tax expense:				
(I) Current tax		95.89	87.08	17.45
(II) Deferred tax		(4.29)	(3.19)	1.31
(III) MAT credit		-	-	0.58
(III) Last year excess provision Written Back		-	-	-
XI. PROFIT/(LOSS)FROM THE PERIOD FROM CONTINUING OPERATIONS		237.80	216.18	52.91
XII. Profit/ (Loss) from discontinuing operations		-		-
XIII. Tax expense of discounting operations		-		-
XIV. Profit/(Loss) from Discontinuing operations		-	-	-
XV. Profit/ (Loss) for the period (XI + XIV)		237.80	216.18	52.91
XVI. Earning per equity share:				
(I) Basic	26	2.41	2.20	0.54
(II) Diluted		2.41	2.20	0.54

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STANDALONE STATEMENT OF CASH FLOW AS RESTATED

(Amount in Lakhs)

	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
A.	Cash flow from operating activities			
	Net profit before tax and after prior period item	329.39	300.07	72.26
	Adjustments for:			
	Depreciation	176.18	150.27	141.69
	Interest Income	(0.55)	(0.59)	(0.84)
	Finance costs	64.61	56.33	75.69
	Operating profit before working capital changes	569.63	506.08	288.81
	Adjustments for:			
	(Increase) / decrease in current investments		-	-
	(Increase) / decrease in inventories	32.71	(274.02)	292.55
	(Increase) / decrease in trade receivables	(144.36)	1.65	2.67
	(Increase) / decrease in trade advances	(12.31)	(0.54)	17.86
	(Increase) / decrease in other current assets	(107.68)	83.89	(65.98)
	Increase / (decrease) in trade payables	(20.75)	119.15	(72.00)
	Increase / (decrease) in other current liabilities	(6.95)	12.83	(65.69)
	Increase / (decrease) in long term provisions	(0.45)	3.11	1.27
	Increase / (decrease) in short term provisions	7.02	77.04	2.06
	Cash generated from operations	316.87	529.18	401.55
	Income taxes paid/ Refund Received	(95.89)	(87.08)	(18.04)
	Net cash provided / (used) by operating activities (A)	220.98	442.10	383.51
B.	Cash flows from investing activities			
	Purchase or construction of fixed assets and capital advances	(218.17)	(132.83)	(75.03)
	Maturity/ redemption of bank deposits (having original maturity of more than 3 months)			
	Investment in Arbitrage Fund			
	Proceeds from sale of fixed assets			-
	Interest received	0.55	0.59	0.84
	Net cash provided / (used) by investing activities (B)	(217.62)	(132.24)	(74.19)
C.	Cash flow from financing activities			
	Finance costs paid	(64.61)	(56.33)	(75.69)
	Proceeds from Subsidy Received			
	Proceeds from issue of share capital	200.00		
	Proceeds/ Repayment from borrowings	61.09	(254.21)	(233.30)
	Net cash provided / (used) by financing activities (C.)	196.48	(310.54)	(308.99)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	199.84	(0.68)	0.33
	Cash and cash equivalents at the beginning of period	0.65	1.34	1.01
	Cash and cash equivalents at the end of period	200.50	0.65	1.34

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GENERAL INFORMATION

Registered Office	1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Maharashtra, India, 400072 Tel.: + + 91-8928434702; Fax: N.A. E-mail: cs@divyadhan.in Website: www.divyadhan.in			
Date of Incorporation	May 03, 2010			
CIN	U39000MH2010PLC202686			
Company Category	Company Limited by Shares			
Registrar of Companies	Registrar of Companies, Mumbai 100, Everest, Marine Drive, Mumbai, Maharashtra -400002 Tel. No.: 022-22812627 Email: roc.mumbai@mca.gov.in Website: www.mca.gov.in			
Company Secretary and Compliance Officer	Mr. Pramod Kumar Gupta Flat – 1901, Evita Hiranandani Gardens, Powai, Mumbai, Maharashtra - 400076 Tel: + 91-8928434702 Email: cs@divyadhan.in			
Chief Financial Officer	Mr. Pratik Gupta 1901, Evita, Hiranandani Gardens, Powai, Mumbai, Maharashtra – 400076 Tel: + 91-8928434702 Email: cs@divyadhan.in			
Designated StockExchange	Emerge Platform of National Stock Exchange of India Limited Address: Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400051			
Bid/ Issue Programme	Bid/Issue Opens On:	September 26, 2024	Bid/Issue Closes On:	September 30, 2024



Note: Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.



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DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

Book Running Lead Manager to the Issue	Registrar to the Issue
	
Narnolia Financial Services Limited	Skyline Financial Services Private Limited
Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India	Address: D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Tel No.: +91- 8130678743	Telephone: +91-11-40450193-97, Fax No: +91-11-26812683
Fax No.: Not Available	Email: compliances@skylinerta.com
Email: pankaj.passi@narnolia.com	Website: www.skylinerta.com ;
Website: www.narnolia.com	Contact Person: Mr. Pawan Bisht
Contact Person: Mr. Pankaj Pasi	SEBI Registration Number: INR000003241
SEBI Registration No. INM000010791	CIN: U74899DL1995PTC071324

Statutory Auditor	Peer Review Auditor
M/s Amarnath & Co., Chartered Accountants	M/s K R A & Co., Chartered Accountants
Address: 834, Ijmima Complex, Near Infiniti Mall, Link Road, Malad West, Mumbai, Maharashtra- 400064	Address: H -11208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -110034
Tel No.: 022-49240182/183	Tel No.: 011-47082855
Email Id: amarsharmaca@rediffmail.com	Email Id: Gunjan@kra.co.in
Contact Person: Amarnath Sharma	Contact Person: Mr. Rajat Goyal
Firm Registration No.: 100300W	Peer Review No.: 012550
	Firm Registration No.: 0020266N

Banker to the Company	Legal Advisor
	
Axis Bank Limited	ABIZCHANCELLOR Law LLP
Address: Swasthya Vihar, New Delhi- 110092, India	Address: B4/4D, Keshav Puram, Lawrence Road, Delhi- 110035
IFSC: UTIB0000055	Tel No.: +91- 88820-17384
Email: Soubhagya.biswal@axisbank.com	Email: adv.Parvindra@gmail.com
Contact Person: Soubhagya Biswal	Contact Person: Adv. Parvindra Nautiyal
Website: www.axisbank.com	Enrollment no.: D/958/2020

Banker to the Issue & Sponsor Bank	Market Maker
	
Axis Bank Limited	Kantilal Chhaganlal Securities Private Limited
Address: Trishul 3 rd Floor, Opp. Samarsheshwar Temple, Law Garden Ellisbridge, Ahmedabad -380006	Address: 601/602, INIZIO, Cardinal Gracious Road, Opp. P&G Plaza, Chakala, Andheri (East), Andheri East, Mumbai, Maharashtra, India, 400099
IFSC: UTIB0000229	Tel No.: + 91 8800500881
Email: swastivihar.branchhead@axisbank.com	Email: roc@kcsecurities.com
Contact Person: Alok Kumar	Contact Person: Mr. Praveen Gupta
Website: https://www.axisbank.com/	SEBI Registration Number: INZ000216538



DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

S. N.	Name	DIN	Category	Designation
1.	Mr. Varun Gupta	00471296	Executive	Managing Director
2.	Mr. Pratik Gupta	06576759	Executive	Director
3.	Mr. Manoj Kumar	10345101	Non- Executive	Non-Independent Director
4.	Mr. Satish Chandra Sharma	06644259	Non-Executive	Independent Director
5.	Ms. Priyanka Agarwal	08089006	Non-Executive	Independent Director

For further details of our directors, please refer chapter titled “Our Management” beginning on page 146 of this Prospectus.

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, Skyline Financial Services Private Limited and/or the BRLM, i.e., Narnolia Financial Services Limited, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the Application was submitted by the ASBA Applicants.

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

SELF-CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link.
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. 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 SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated



Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

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

Since, Narnolia Financial Services Limited is the sole Book Running Lead Manager (BRLM) to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them.

CREDIT RATING

This being an issue of Equity Shares, credit rating is not required.

IPO GRADING

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

EXPERT OPINION

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

Our Company has received written consent dated June 01, 2024 from Peer Review Auditor namely, M/s. KRA & Co., Chartered Accountant (FRN: 0020266N), and written consent dated June 01, 2024 from Abizchancellor Law LLP acting through Adv. Parvindra Nautiyal (Enrollment no.: D/958/2020) to include their name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act 2013.

The report of the peer review auditor on Statement of Tax Benefits and report on Restated Financials, for the financial years ended March 31, 2024, 2023 & 2022 as included in this Prospectus.

Further, Adv. Parvindra Nautiyal has given his legal due diligence report, as included in this Prospectus, in relation to the Outstanding Litigations and Material Developments dated September 17, 2024.

Aforementioned consents have not been withdrawn as on the date of this Prospectus. However, the term - expert shall not be construed to mean an - expert as defined under the U.S. Securities Act.

All the intermediaries, including Merchant Banker has relied upon the appropriacy and authenticity of the same.

DEBENTURE TRUSTEE

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

APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to Rs. 10,000 Lakh. Since the Issue size is below Rs. 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, 2013 the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

BOOK BUILDING PROCESS

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Draft Red Herring Prospectus/ Red Herring Prospectus within the Price Band, which will be decided by our Company, in



consultation with the BRLM, and will be advertised in Financial Express editions of the English national newspaper, in Jansatta editions of the Hindi national newspaper and a regional language newspaper ,Prahtakaal, of Mumbai, Maharashtra where our Registered Office is located, each with wide circulation, at least two working days prior to the Bid/ Offer Opening Date. The Offer Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

All Bidders (except Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Offer through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Each Bidder by submitting a Bid in Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Offer.

Bidders should note that this Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details, please refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 294 and 259, respectively of this Prospectus.

ILLUSTRATION OF BOOK BUILDING PROCESS AND THE PRICE DISCOVERY PROCESS

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “Issue Procedure” on page 259 of this Prospectus.

UNDERWRITING AGREEMENT

Our Company and BRLM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated September 13, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name, Address, Telephone, Fax, and Email of the Underwriter	Indicative No. of Equity Shares to Be Underwritten	Amount Underwritten (Rs. In Lakh)	% of the Total Issue Size Underwritten
Narnolia Financial Services Limited Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India Telephone: +91- 8130678743 Email: pankaj.passi@narnolia.com Website: www.narnolia.com	5,68,000	363.52 /-	15.04%

Contact Person: Mr. Pankaj Pasi SEBI Registration No. INM000010791			
Kantilal Chhanganlal Securities Private Limited Address: 601/602, INIZIO, Cardinal Gracious Road, Opp. P&G Plaza, Chakala, Andheri (East), Andheri East, Mumbai, Maharashtra, India, 400099 Telephone: + 91 98193 47304 Email: finance@kcsecurities.com Website: https://www.kcsecurities.com/ Contact Person: Mr. Praveen Gupta SEBI Registration No. INZ000216538	32,08,000	2,053.12 /-	84.96%
Total	37,76,000	2,416.64 /-	100.00%

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

FILING OF PROSPECTUS

A soft copy of the Red Herring Prospectus and Prospectus shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> as per Regulation 246(1) of SEBI (ICDR) Regulations. Pursuant to Regulation 246(2) of SEBI ICDR Regulations, the SEBI shall not issue any observation on the offer document. A copy of the Red Herring Prospectus and Prospectus along with the documents required to be filed under Section 26 read with Section 32 of the Companies Act will be delivered to the Registrar of Companies, Mumbai 100, Everest, Marine Drive, Mumbai, Maharashtra -400002.

CHANGE IN THE AUDITOR DURING LAST 3 YEAR

The following changes have taken place in the Auditors during the last three years preceding the date of this Prospectus:

Name of the Auditor	Date of Appointment	Date of Resignation	Reason for Change
M/s Amarnath & Co., Chartered Accountants FRN: 100300W Address: 607, Ijmima Complex, Near Infinity Mall, Link Road, Malad West, Mumbai- 400064, Maharashtra	30/11/2021	01/09/2022	Due to Pre-Occupancy
M/s Kishan Agrawal and Associates, Chartered Accountants FRN: 013915C Address: D-34, Ground Floor, BTM, PUR Road, Bhilwara, Rajasthan- 311001, India	09/09/2022	27/12/2023	Due to Pre-Occupancy
M/s Amarnath & Co., Chartered Accountants FRN: 100300W Address: 607, Ijmima Complex, Near Infinity Mall, Link Road, Malad West, Mumbai- 400064, Maharashtra	20/01/2024	NA	NA



WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE Emerge on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the BRLM have entered into a tripartite agreement dated September 13, 2024 with Kantilal Chhaganlal Securities Private Limited the Market, Maker for this Issue, duly registered with NSE Emerge to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker 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(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE Limited and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) 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.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and thereafter 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.
7. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). 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 BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the BRLM reserve the right to appoint other Market Makers either as a

replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

10. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE 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 Makers, 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(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

Price Band and Spreads: Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27,2012, limits on the upper side for Markets 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)
Up to Rs. 20 Crore	25%	24%
Rs.20 Crore to Rs.50 Crore	20%	19%
Rs.50 Crore to Rs.80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

The Marketing 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/NSE from time to time.

The trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

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CAPITAL STRUCTURE

The Equity Share Capital of our Company, As on the date of this Prospectus is set forth below:

(Amt in Lakhs)

S. No.	Particulars	Aggregate Nominal Value	Aggregate Value at Offer Price
A.	Authorised Share Capital		
	1,80,00,000 Equity Shares of Rs.10/- each	1,809.00	-
	90,000 Preference Shares of Rs.10/-each		
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	1,05,30,714 Equity Shares of Rs.10/- each	1053.07	-
	Present Issue in terms of the Prospectus		
	Issue of 37,76,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 64 /- per share	377.60	2,416.64
	of which:		
(I)	Reservation for Market Maker- 2,00,000 Equity Shares of Rs.10/- each at a price of Rs. 64 /- per Equity Share reserved as Market Maker Portion.	20.00	128.00
(II)	Net Issue to the Public – 35,76,000 Equity Shares of Rs.10/- each at a price of Rs. 64/- per Equity Share.	357.60	2,288.64
C.	Of the Net Issue to the Public		
I	Allocation to Qualified Institutional Buyer – 17,86,000 Equity Shares of Rs.10/- each at a price of Rs. 64/- per Equity Share.	178.60	1143.04
	Of which:		
	(a) Anchor Investor Portion- Up to 10,70,000 Equity Shares of face value of Rs.10/- each fully paid-upfor cash at price of Rs. 64/- per Equity Share aggregating to Rs. 684.80 Lakhs	107.00	684.80
	(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)- Up to 7,16,000 Equity Shares of face value of Rs.10/- each fully paid-upfor cash at price of Rs. 64/- per Equity Share aggregating to Rs. 458.24 Lakhs	71.60	458.24
II	Allocation to Retail Individual Investors – 12,52,000 Equity Shares of Rs.10/- each at a price of Rs. 64/- per Equity Share shall be available for allocation for Investors applying for a value of up to Rs. 2.00 Lakhs.	125.20	801.28
III	Allocation to Non-Institutional Investors – 5,38,000 Equity Shares of Rs.10/- each at a price of Rs. 64/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs. 2.00 Lakhs.	53.80	344.32
D.	Issued, Subscribed and Paid-up Share Capital after the Issue		
	1,43,06,714 Equity Shares of Rs. 10/- each	1,430.67	
E.	Securities Premium Account		
	Before the Issue		Nil
	After the Issue		2,039.04

The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on June 01, 2024 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at the EGM of our shareholders held on June 04, 2024.

Our Company has only one class of share capital i.e., Equity Shares of the face value of Rs. 10/- each only. All Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorised Share Capital:

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

S. No.	Date	No. of Shares	Type of Share	Face Value (in Rs.)	Cumulative No. of Shares	Cumulative Authorised Share Capital (in Rs.)	Whether AGM/EGM
1.	On Incorporation*	10,000	Equity	10	10,000	1,00,000	N.A.
2.	10.09.2010	90,000	Preference	10	1,00,000	10,00,000	EGM
3.	05.11.2019	19,00,000	Equity	10	20,00,000	2,00,00,000	EGM
4.	09.01.2020	30,00,000	Equity	10	50,00,000	5,00,00,000	EGM
5.	24.11.2023	5,00,000	Equity	10	55,00,000	5,50,00,000	EGM
6.	04.03.2024	1,25,90,000	Equity	10	1,80,90,000	18,09,00,000	EGM

*The Date of incorporation of the company is 03rd May, 2010.

2. History of Paid-up Capital of our Company

A. Equity Share Capital

S. No.	Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)	Cumulative Securities premium (Rs.)
1.	On Incorporation	10,000	10	10	Cash	Subscription to MOA	10,000	1,00,000	Nil
2.	22.03.2020	49,00,000	10	10	Cash	Right Issue	49,10,000	4,91,00,000	Nil
3.	*02.12.2023	42,857	10	21	Other than Cash	Conversion ***	49,52,857	4,95,28,570	Nil
4.	09.03.2024	3,12,500	10	64	Cash	Private Placement	52,65,357	5,26,53,570	1,68,75,000
5.	05.06.2024	52,65,357	10	N.A.	Other than Cash	Bonus Issue	1,05,30,714	10,53,07,140	Nil

* Our company had allotted 42,857 equity shares dated December 02, 2023, pursuant to conversion of preference shares. The company had allotted 90,000 Non-Cumulative Compulsorily Convertible Preference Shares dated March 22, 2020, on preferential basis to our promoter cum shareholders. Since they were compulsory convertible preference shares, the company converted them by issuing requisite equity shares dated December 12, 2023, ranking pari passu with existing equity shares at Rs. 21/-, determined by valuation report of Registered Valuer named Subodh Kumar (IBBI Registered Valuer), Registration No: IBBI/RV/05/2019/11705, dated October 23, 2023.

B. Preference Share Capital

S. No	Date of Allotment	No. of Preference Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Preference Shares	Cumulative Paid-up Capital (Rs.)	Cumulative Securities premium (Rs.)
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1.	25.01.2011	15,000*	10	10	Cash	Preferential Issue	15,000	1,50,000	NIL
2.	02.03.2015	72000**	10	10	Cash	Preferential Issue	87,000	8,70,000	NIL
3.	22.03.2020	90,000***	10	10	Cash	Right Issue	1,77,000	17,70,000	NIL

* 15,000 5 % cumulative redeemable preference shares were redeemed by the company by passing Board resolution dated December 26, 2011. However, the corporate filing for redemption the same is not traceable.

** The Corporate filing or records of the redemption of the 72,000 Preference shares, issued by the Company, is not traceable.

***The 90,000 Preference shares issued were converted by the company into issuing 42,857 equity shares at issue price of Rs. 21 by passing Board resolution in the meeting of Board of Directors dated December 02, 2023.

Note:

Equity Shares

- Initial Subscribers to Memorandum of Association hold 10,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

S. N.	Name of Person	No. of Shares Allotted
1.	Mr. Prakash Padmanabh Pillai	5,000
2.	Mr. Padmanabh Gopal Pillai	5,000
	Total	10,000

- The Company thereafter allotted 49,00,000 Equity shares on March 22, 2020 as Right issue, the details of which is given below:

S. N.	Name	No. of Shares Issued
1.	Mr. Pratik Gupta	13,40,000
2.	Mr. Varun Gupta	24,50,000
3.	Yashash Commodities Private Limited	11,10,000
	Total	49,00,000

- The Company thereafter converted 90,000 Non-Cumulative Compulsorily Convertible Preference Shares by issuing 42,857 equity shares on December 02, 2023, the details of which is given below:

S. N.	Name	No. of Shares Issued
1.	Mr. Pratik Gupta	21,428
2.	Mr. Varun Gupta	21,429
	Total	42,857

- The Company thereafter made Private Placement of 3,12,000 Equity Shares on March 09, 2024, the details of which is given below:

S. N.	Name	No. of Shares Issued
1.	Vansha Comtrade LLP	39,500
2.	Mr. Manoj Agarwal (HUF)	39,500
3.	RNR Wealth Management Private Limited	39,500
4.	Badami Investments Fund	44,000
5.	Sagar Jethalal Nishar	16,000

6.	SN Capital Management Private Limited	78,000
7.	Shinohub Traders LLP	30,000
8.	Ruchika Panda	8,000
9.	Sanjay Gupta	4,000
10.	Kvijay Ventures LLP	14,000
	Total	3,12,500

5. The Company thereafter allotted 52,65,357 Equity shares as Bonus Issue in the ratio of 1:1 on June 05, 2024, the details of which is given below:

S. No.	Name of Person	No. of Shares Allotted
1.	Pratik Gupta	24,76,408
2.	Varun Gupta	24,76,399
3.	RNR Wealth Management Private Limited	39,500
4.	Anandita Sharma	615
5.	Ketan Bhawarlal Kothari	44,000
6.	Mr. Manoj Agarwal (Huf)	39,500
7.	Kvijay Ventures LLP	14,000
8.	SN Capital Management Private Limited	37,565
9.	Shinohub Traders LLP	30,000
10.	Vipin Bharadwaj	20,000
11.	Rohan Gupta	12,500
12.	Sagar Jethalal Nishar	16,000
13.	Ruchika Panda	8,000
14.	Baruna Duttaroy	650
15.	Alka Navinkumar Jain	10
16.	Ankita Pratik Gupta	10
17.	Sanjay Gupta	4,000
18.	Vansha Comtrade LLP	39,500
19.	Nikita Chamaria	6,670
20.	Nikita Gupta	10
21.	Kusum Gupta	10
22.	Vinod Kumar Gupta	10
	Total	52,65,357

Preference Shares

1. The Company Issued 15,000 5% Cummuative Redeemable Preference Shares without voting right on 25.01.2011, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name	No. of Shares Issued
1.	Mrs. Beena Nair	2,000
2.	Mr. Anirudha Choudhari	10,000
3.	Mrs. Devi Sukumaran	3,000
	Total	15,000



2. The Company thereafter made further allotment of 72,000 Preference Shares on March 02, 2015, the details of which is given below:

S. N.	Name	No. of Shares Issued
1.	Mr. Prakash Padmanabh Pillai	72,000
	Total	72,000

3. The Company thereafter made further allotment of 90,000 Non-Cumulative Compulsorily Convertible Preference Shares on March 22, 2020, the details of which is given below:

S. N.	Name	No. of Shares Issued
1.	Mr. Pratik Gupta	45,000
2.	Mr. Varun Gupta	45,000
	Total	90,000

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3. Shareholding of the Promoters of our Company

As on the date of this Prospectus, our Promoters – **Mr. Varun Gupta** and **Mr. Pratik Gupta** holds a total of **99,05,614** Equity Shares representing **94.06%** of the pre-issue paid up share capital of our Company.

Details of build-up of shareholding of the Promoters

MR. PRATIK GUPTA

Equity Shares

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue/ Transfer/ conversion price per Equity Share (in Rs.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee	% of pre issue capital of Cumulative Shares
March 19, 2013	Transfer	5,000	10	10	Cash	Transferor: Mr. Prakash Padmanabh Pillai	0.10%
March 22, 2020	Right Issue	13,40,000	10	10	Cash	N.A.	27.06%
October 31, 2022	Transfer	11,10,000	10	10	Cash	Transferor: Yashash Commodities Private Limited	22.41%
November 30, 2023	Transfer	(10)	10	50	Cash	Transfree: Ankita Pratik Gupta	Negligible
December 02, 2023	Transfer	(10)	10	50	Cash	Transfree: Alka Navinkumar Jain	Negligible
December 02, 2023	Conversion of Preference shares into equity shares	*21,428	10	21	Other than Cash	N.A.	0.43%
Wednesday, June 05, 2024	Bonus Issue	24,76,408	10	N.A.	Other than Cash	N.A.	50.00%
Total		49,52,816					100.00%

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are under pledged.



Preference Shares

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Preference Shares or	Face Value per Preference Shares (in Rs.)	Issue/ Transfer/ conversion price per Preference Shares (in Rs.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee	% of pre issue capital of Cumulative Shares
Sunday, March 22, 2020	Right Issue	*45,000	10	10	Cash	N.A.	N.A.
Total		45,000					N.A.

* The Company has converted 45,000 Non-Cumulative Compulsorily Convertible Preference Shares by issuing 21,428 Equity Shares at Rs. 21 per Share on December 02, 2023.

MR. VARUN GUPTA

Equity Shares

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue/ Transfer price per Equity Share (in Rs.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee	% of pre issue capital of Cumulative Shares
February 22, 2016	Transfer	5,000	10	10	Cash	Transferor: Mrs. Ritika Gupta	0.10%
March 22, 2020	Right Issue	24,50,000	10	10	Cash	N.A.	49.47%
October 10, 2023	Transfer	(10)	10	50	Cash	Transfree: Nikita Gupta	Negligible
November 21, 2023	Transfer	(10)	10	50	Cash	Transfree: Kusum Gupta	Negligible
November 21, 2023	Transfer	(10)	10	50	Cash	Transfree: Vinod Kumar Gupta	Negligible
December 02, 2023	Conversion of Preference Shares into Equity Shares	*21,429	10	21	Other than Cash	N.A.	0.43%
June 05, 2024	Bonus Issue	24,76,399	10	N.A.	Other than Cash	N.A.	50.00%
Total		49,52,798 (Equity Shares)					100.00%



Preference Shares

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Preference Shares or	Face Value per Preference Shares (in Rs.)	Issue/ Transfer/ conversion price per Preference Shares (in Rs.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee	% of pre issue capital of Cumulative Shares
Mr. Varun Gupta							
Sunday, March 22, 2020	Right Issue	*45,000	10	10	Cash	N.A.	N.A.
Total		45,000 (Preference Shares)					N.A.

* The Company has converted 45,000 Non-Cumulative Compulsorily Convertible Preference Shares by issuing 21,429 Equity Shares at Rs. 21 per Share on December 02, 2023.

- All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are under pledged.
- All the Preference Shares issued by the company have either been redeemed or have been converted into equity shares. Currently there are no outstanding Preference shares in the company.

This space has been left intentionally.



4. Our shareholding pattern

i. The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Prospectus:

Category Code	Category of shareholder	No. Of shareholder	No. of fully paid-up equity Shares Held	No. of Partly paid up equity share s held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of share s (calculated as per SCR R, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Under lying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
								No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total share s held (B)	No. (a)	As a % of total share s held (B)	
								Class X	Class Y	Total								
I	II	III	IV	V	VI	VII= IV+ V +VI	VIII	IX				X	XI=VII +X	XII		XIII		XIV
(A)	Promoters and Promoter Group	7	99,05,714	-	-	99,05,714	94.06%	99,05,714	-	-	94.06%	-	94.06%	-	-	-	-	99,05,714
(B)	Public	21	6,25,000	-	-	6,25,000	5.94%	6,25,000	-	-	5.94%	-	5.94%	-	-	-	-	6,25,000
I	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	28	1,05,30,714	-	-	1,05,30,714	100.00%	1,05,30,714	-	-	100.00%	-	100.00%	-	-	-	-	1,05,30,714

*As on the date of this Prospectus 1 Equity Shares holds 1 vote.



I. Shareholding Pattern of Promoters and Promoter Group

S No.	Category& name of shareholder(I)	PAN(II)	No. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid up equity shares held (V)	No. of share under lying Depository (VI)	Total nos. shares held (VII)	Shareholdi ng as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B +C2)	Number of Voting Rights held in each class of securities				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 Capita l) As a % of (A+B+ C2)	Number oflocked in Shares		Number of Shares pledge d or otherwise encumbered		Number of shares held in dematerializ ed form
									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 tot al shares held (B)	
									Class : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(IV)+(V) +(VI)	(VIII)	(IX)				(X)	(XI)=(V II)+(X)	(XII)		(XIII)		(XIV)
(1)	Indian	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individual/HUF	-	7	99,05,714	-	-	99,05,714	94.06%	99,05,714	-	99,05,714	94.06%	-	94.06%	-	-	-	-	99,05,714
1	Pratik Gupta			49,52,816	-	-	49,52,816	47.03%	49,52,816	-	49,52,816	47.03%	-	47.03%	-	-	-	-	49,52,816
2	Varun Gupta			49,52,798	-	-	49,52,798	47.03%	49,52,798	-	49,52,798	47.03%	-	47.03%	-	-	-	-	49,52,798
3	Alka Navinkumar Jain			20	-	-	20	Negligible	20	-	20	Negligible	-	Negligible	-	-	-	-	20
4	Ankita Pratik Gupta			20	-	-	20	Negligible	20	-	20	Negligible	-	Negligible	-	-	-	-	20
5	Nikita Gupta			20	-	-	20	Negligible	20	-	20	Negligible	-	Negligible	-	-	-	-	20
6	Kusum Gupta			20	-	-	20	Negligible	20	-	20	Negligible	-	Negligible	-	-	-	-	20
7	Vinod Kumar Gupta			20	-	-	20	Negligible	20	-	20	Negligible	-	Negligible	-	-	-	-	20
(b)	Cen. Govt./ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any other(Body Corporate)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub- total (A) (1)	-	7	99,05,714	-	-	99,05,714	94.06%	99,05,714	-	99,05,714	-	-	94.06%	-	-	-	-	99,05,714
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individual (NRI/ Foreign Individual)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other(specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub- Total(A) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters and Promoter Group (A)=(A)(1) +(A)(2)			7	99,05,714	-	-	99,05,714	94.06%	99,05,714	-	99,05,714	94.06%	-	94.06%	-	-	-	-	99,05,714



II. ssShareholding Pattern of the Public shareholder

S No.	Category& name of shareholder	P A N	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held(VII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held ineach class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C 2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (B)	No.(a)	As a % of total shares held (B)	
									Class : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(IV)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(f)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(h)	Provident Funds/Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i)	Any other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Central Government/State Government (s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total (B) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(3)	Non- Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Individuals-	-	15																
(a)	i. Individual shareholders holding		10	1,15,230	-	-	1,15,230	1.09%	1,15,230	-	1,15,230	1.09%	-	1.09%	-	-	-	-	1,15,230



	nominal share capital up to Rs. 2 lakh.																		
	ii. Individual shareholders holding nominal share capital in excess of Rs.2lakh	-	05	2,45,000	-	-	2,45,000	2.33%	2,45,000	-	2,45,000	2.33%	-	2.33%	-	-	-	-	2,45,000
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Body Corporate/Firm/LLP)	-	06	2,64,770	-	-	2,64,770	2.52%	2,64,770	-	2,64,770	2.52%	-	2.52%	-	-	-	-	2,64,770
1.	RNR Wealth Management Private Limited			79,000	-	-	79,000	0.75%	79,000	-	79,000	0.75%	-	0.75%	-	-	-	-	79,000
2.	SN Capital Management Private Limited			8,770	-	-	8,770	0.08%	8,770	-	8,770	0.08%	-	0.08%	-	-	-	-	8,770
3.	Vansha Comtrade LLP			79,000	-	-	79,000	0.75%	79,000	-	79,000	0.75%	-	0.75%	-	-	-	-	79,000
4.	Shinohub Traders LLP			60,000	-	-	60,000	0.57%	60,000	-	60,000	0.57%	-	0.57%	-	-	-	-	60,000
5.	Kvijay Ventures LLP			28,000	-	-	28,000	0.27%	28,000	-	28,000	0.27%	-	0.27%	-	-	-	-	28,000
6.	Prosperity Catalyst OPC Private Limited			10,000	-	-	10,000	0.09%	10,000	-	10,000	0.09%	-	0.09%	-	-	-	-	10,000
	Sub-Total (B)(3)	-	21	6,25,000	-	-	6,25,000	5.94 %	6,25,000	-	6,25,000	5.94 %	-	5.94 %	-	-	-	-	6,25,000
Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3)			21	6,25,000	-	-	6,25,000	5.94 %	6,25,000	-	6,25,000	5.94 %	-	5.94 %	-	-	-	-	6,25,000

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III. Shareholding pattern of the Non Promoter- Non Public shareholder

S No.	Category & name of shareholder	P A N	No. of shareholders	No. of full y paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities				No. of Shares Under lying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C 2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights Class : X	Class : Y	Total	Total as a % of Total Voting rights			No. (a)	As a % of total shares held (B)	No. (Not Applicable)	As a % of total shares held (Not Applicable)	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)= (IV)+(V) +(VI)	(VIII)	(IX)				(X)	(XI)=(V II)+(X)	(XII)		(XIII)		(XIV)
(1)	Custodian /DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust(Under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non- Promoter – Non Public Shareholding I=I(1)+I(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note:

- In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. As on the date of this Prospectus, all the equity shares are in the dematerialized form.
- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.

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5. As on the date of this Prospectus, there are no partly paid-up shares/outstanding convertible securities/warrants in our Company.
6. Following are the details of the holding of securities of persons belonging to the category “Promoters and Promoter Group” and “public” before and after the Issue:

S No.	Name of shareholder	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital	No. ofequity shares	As a % of Issued Capital
Promoters					
1	Pratik Gupta	49,52,816	47.03%	49,52,816	34.62%
2	Varun Gupta	49,52,798	47.03%	49,52,798	34.62%
Total – A		99,05,614	94.06%	99,05,614	69.24
Promoter Group					
1	Alka Navinkumar Jain	20	Negligible	20	Negligible
2	Ankita Pratik Gupta	20	Negligible	20	Negligible
3	Nikita Gupta	20	Negligible	20	Negligible
4	Kusum Gupta	20	Negligible	20	Negligible
5	Vinod Kumar Gupta	20	Negligible	20	Negligible
Total – B		100	Negligible	100	Negligible
Public					
1	Public	6,25,000	5.94%	6,25,000	4.37%
2	IPO	-	-	37,76,000	26.39%
Grand Total (A+B+C)		1,05,30,714	100.00%	1,43,06,714	100.00%

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Pratik Gupta	49,52,816	5.05
Varun Gupta	49,52,798	5.05

**As certified by auditor M/s NAV & Co, Chartered Accountants, dated June 10, 2024.*

8. Details of Major Shareholders:

(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of this Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital
1	Pratik Gupta	49,52,816	47.03%
2	Varun Gupta	49,52,798	47.03%
Total		99,05,614	94.06%

(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up
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			Capital**
1	Pratik Gupta	49,52,816	47.03%
2	Varun Gupta	49,52,798	47.03%
Total		99,05,614	94.06%

(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of this Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital**
1	Pratik Gupta	24,55,000	50%
2	Varun Gupta	13,45,000	27.39%
3	Yashash Commodities Private Limited	11,10,000	22.61%
Total		49,10,000	100.00%

S. No.	Name of shareholders	No. of Preference Shares held*	% of Paid-up Capital**
1	Pratik Gupta	45,000	50.00%
2	Varun Gupta	45,000	50.00%
Total		90,0000	100.00%

(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of this Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital**
1	Pratik Gupta	24,55,000	50%
2	Varun Gupta	13,45,000	27.39%
3	Yashash Commodities Private Limited	11,10,000	22.61%
Total		49,10,0000	100.00%

S. No.	Name of shareholders	No. of Preference Shares held*	% of Paid-up Capital**
1	Pratik Gupta	45,000	50.00%
2	Varun Gupta	45,000	50.00%
Total		90,0000	100.00%

*The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of this Prospectus.

** the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

9. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
10. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Prospectus at a price lower than the Issue Price except the following:-

S. No.	Name of Person	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason of Allotment	Benefit occurred to Issuer
1.	Pratik Gupta	24,76,408	10	N.A.	June 05, 2024	Bonus Issue	Capitalisation of Reserve
2.	Varun Gupta	24,76,399	10	N.A.			
3.	RNR Wealth Management Private Limited	39,500	10	N.A.			
4.	Anandita Sharma	615	10	N.A.			
5.	Ketan Bhawarlal Kothari	44,000	10	N.A.			
6.	Mr. Manoj Agarwal (HUF)	39,500	10	N.A.			
7.	Kvijay Ventures LLP	14,000	10	N.A.			
8.	SN Capital Management Private Limited	37,565	10	N.A.			
9.	Shinohub Traders LLP	30,000	10	N.A.			
10.	Vipin Bharadwaj	20,000	10	N.A.			
11.	Rohan Gupta	12,500	10	N.A.			
12.	Sagar Jethalal Nishar	16,000	10	N.A.			
13.	Ruchika Panda	8,000	10	N.A.			
14.	Baruna Duttaroy	650	10	N.A.			
15.	Alka Navinkumar Jain	10	10	N.A.			
16.	Ankita Pratik Gupta	10	10	N.A.			
17.	Sanjay Gupta	4,000	10	N.A.			
18.	Vansha Comtrade LLP	39,500	10	N.A.			
19.	Nikita Chamaria	6,670	10	N.A.			
20.	Nikita Gupta	10	10	N.A.			
21.	Kusum Gupta	10	10	N.A.			
22.	Vinod Kumar Gupta	10	10	N.A.			
	Total	52,65,357					

11. Except as disclosed in this Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
12. We have 28 shareholders as on the date of filing of this Prospectus.
13. As on the date of this Prospectus, our Promoters and Promoters' Group holds a total of 99,05,614 Equity Shares representing 94.06% of the pre-issue paid up share capital of our Company.
14. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Prospectus.

S. No.	Date of Transfer	Name of Transferor	Name of Transferee	Number of Shares
1.	November 30, 2023	Pratik Gupta	Ankita Pratik Gupta	10
2.	December 02, 2023	Pratik Gupta	Alka Navinkumar Jain	10
3.	October 10, 2023	Varun Gupta	Nikita Gupta	10



4.	November 21, 2024	Varun Gupta	Kusum Gupta	10
5.	November 21, 2024	Varun Gupta	Vinod Kumar Gupta	10
Total				50

15. The members of the Promoters Group, our directors and the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Prospectus.

16. Details of Promoter's Contribution locked in for 3 years:

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-Issue Capital shall be considered as Promoter's Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.00% of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Prospectus until the completion of the lock-in period specified above.

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 3 years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.*

Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilized as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoters Contribution of 20.00% of the post issue paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters Contribution has been brought into to the extent of not less than the specified minimum lot 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 EquityShares.

The details of the Equity Shares held by our Promoters, which are locked in for a period of 3 years from the date of Allotment in the Offer are given below:

Name of Promoter	Date of Transaction and when made fully paid-up	Nature of Transaction	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price per Equity Share (Rs.)	Percentage of post-Offer paid-up capital (%)	Lock in Period
Pratik Pramod Gupta	June 05, 2024	Bonus Issue	14,32,000	10	NA	10.01	3 Years
Varun Gupta	June 05, 2024	Bonus Issue	14,32,000	10	NA	10.01	3 Years

The Equity Shares that are being locked in are not ineligible for computation of Promoters contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoters contribution are not subject to pledge. Lock-in period shall commence from the date of allotment of Equity Shares in the Public Issue.

We confirm that the minimum Promoters contribution of 20.00% which is subject to lock-in for 3 years does not consist of:

- a) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- b) Equity Shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or Unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters contribution;
- c) Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- d) The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- e) Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters Contribution subject to lock-in.

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.

Equity Shares locked-in for one year.

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters’ contribution, the promoters and public pre-issue shareholding of Equity Share capital of our Company, *i.e.* 76,66,714 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of Equity Shares would be created as per the bye laws of the Depositories.

Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- 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 Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by 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.

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 Promoter 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 lock-in period stipulated has expired.
17. Our Company, our Promoters, our Directors and the BRLM to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
 18. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation except the following:

S. No.	Name of Person	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason of Allotment	Benefit occurred to Issuer
23.	Pratik Gupta	24,76,408	10	N.A.	June 05, 2024	Bonus Issue	Capitalisation of Reserve
24.	Varun Gupta	24,76,399	10	N.A.			
25.	RNR Wealth Management Private Limited	39,500	10	N.A.			
26.	Anandita Sharma	615	10	N.A.			
27.	Ketan Bhawarlal Kothari	44,000	10	N.A.			
28.	Mr. Manoj Agarwal (HUF)	39,500	10	N.A.			
29.	Kvijay Ventures LLP	14,000	10	N.A.			
30.	SN Capital Management Private Limited	37,565	10	N.A.			
31.	Shinohub Traders LLP	30,000	10	N.A.			
32.	Vipin Bharadwaj	20,000	10	N.A.			
33.	Rohan Gupta	12,500	10	N.A.			
34.	Sagar Jethalal Nishar	16,000	10	N.A.			
35.	Ruchika Panda	8,000	10	N.A.			
36.	Baruna Duttaroy	650	10	N.A.			
37.	Alka Navinkumar Jain	10	10	N.A.			
38.	Ankita Pratik Gupta	10	10	N.A.			
39.	Sanjay Gupta	4,000	10	N.A.			
40.	Vansha Comtrade LLP	39,500	10	N.A.			
41.	Nikita Chamaria	6,670	10	N.A.			
42.	Nikita Gupta	10	10	N.A.			
43.	Kusum Gupta	10	10	N.A.			
44.	Vinod Kumar Gupta	10	10	N.A.			
	Total	52,65,357					

19. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.
20. Our Company has not re-valued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
21. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when options are granted to our



employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

22. There are no safety net arrangements for this public Offer.
23. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
24. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
25. All the Equity Shares of our Company are fully paid up as on the date of this Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
26. As per RBI regulations, OCBs are not allowed to participate in this Issue.
27. There is no Buyback, stand by, or similar arrangement by our Company/Promoters/Directors/BRLM for purchase of Equity Shares issued / offered through this Prospectus.
28. As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
29. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
30. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and NSE.
31. The Issue is being made through Book Building Method.
32. BRLM to the Issue viz. Narnolia Financial Services Limited and its associates do not hold any Equity Shares of our Company.
33. Our Company has not raised any bridge loan against the proceeds of this Issue.
34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
35. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
36. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this Prospectus, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
37. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.



38. Our Promoters and the members of our Promoter Group will not participate in this Issue.
39. Our Company has not made any public issue since its incorporation.
40. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
41. For the details of transactions by our Company with our Promoter Group, Group Companies during last three years ended on March 31, 2024, March 31, 2023 & March 31, 2022, Fiscals, please refer to paragraph titled Related Party Transaction in the chapter titled "Financial Information" beginning on page number 173 of this Prospectus.
42. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "Our Management" beginning on page number 146 of this Prospectus.

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OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the Emerge Platform of NSE.

The objects of the Issue are:-

1. To meet out the Capital Expenditure.
2. To meet out the General Corporate Purposes; and
3. To meet out the Issue Expenses.

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. The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

REQUIREMENT OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ 2,101.64 Lakhs (the "Net Issue Proceeds").

The following table summarizes the requirement of funds:

S. No.	Particulars	Rupees in Lakhs
1.	Gross Issue Proceeds	2,416.64*
2.	Less: Issue Related Expenses**	315.00*
	Net proceeds	2,101.64*

*Subject to finalization of basis of allotment.

**As per the certificate given by M/s KRA & Co., Chartered Accountant, dated September 14, 2024, the Company has not incurred any amount towards issue expenses as on September 14, 2024.

UTILISATION OF FUNDS:

Fund Requirements

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

(Amount in Lakhs)

S. N.	Particulars	Amount (In Rs. Lakh)	% of Gross Proceeds	% of Net Proceeds
1.	Purchase of Plant and Machinery	1,703.71	70.50%	81.07%
2.	General Corporate Purposes**	397.93	16.47%	18.93%
	Total	2,101.64	86.97%	100.00%

**The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.



Note: Any Additional cost will be borne by the company through internal accruals.

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. 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 from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated 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 this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

Details of Utilization of Issue Proceeds

1. Capital Expenditure

Our company intends to carry out capital expenditure by purchasing various plants and machineries. These plant and machinery will set up at our manufacturing facility located at Baddi, Himachal Pradesh.

The details of purchase of plant and machinery to be purchased are set forth herein below along as per the quotations received.

S No.	Name of Vendor	Type of Machinery	Quantity	Price (in INR/USD \$/ Euro)	Amount in INR
A.	Inhibeo Water Solution & Technologies Private Limited	Effluent treatment Plant, Ultrafiltration and Reverse Osmosis	01	Rs. 2,35,00,000.00	2,35,00,000.00
B.	Aceretech Recycling and Pelletizing	PET Bottle Washing Line	01	USD \$ 13,39,759.00	11,19,23,466.86
C.	TOMRA Sorting GMBH	To recycle cap of Pet Bottles	01	€ 3,87,150.00	3,49,48,030.50
Total					17,03,71,497.36

Note:

- 1) In case of increase in price of quotations at the time of purchase of product including but not limited to change in exchange rate, change in market conditions, economic conditions, the excess amount will be funded by the company from internal accruals.*
- 2) The rate of exchange for USD \$ is 1\$ = Rs. 83.54 and for Euro is 1€ = Rs. 90.33 as on June 13, 2024.*
- 3) As on date of this Prospectus, the current factory license is valid. There is no requirement for a new factory license in order to expand our manufacturing facilities.*

A. 400 KLD (Kilo liters per day) Capacity Effluent Treatment Plant, Ultrafiltration (UF) And Reverse Osmosis (Ro) Plant, Erection and Commissioning (Equipment Erection, Piping Fabrication & Erection and Commissioning):

An effluent treatment plant (ETP), ultrafiltration (UF) system, and reverse osmosis (RO) plant are all components or processes commonly used in wastewater treatment and water purification.

An ETP is a facility made to handle industrial effluent or wastewater before it is recycled or released into the environment. An ETP's main objective is to rid wastewater of impurities, pollutants, and dangerous materials in order to comply with regulations and avoid polluting the environment.

The Ultrafiltration (UF) System is a membrane-based separation technique that is employed to extract suspended particles, colloids, bacteria, viruses, and macromolecules from liquid.

Ions, dissolved salts, and other solutes are eliminated from water via reverse osmosis, a water purification technique that employs a semi-permeable membrane. Using RO to produce highly purified water for industrial processes, drinking water treatment, and wastewater reuse is a popular application for the desalination of brackish and seawater.

At present our water requirement for our operations is approx. 100 KLD (Kilo Liters Per day). With the installation of the proposed PET bottle washline, our per day requirement will exceed 250 to 300KLD (Kilo Liters per day). With the installation of this proposed effluent treatment plant, we will be able to recycle and reuse our current water supply, which otherwise would be met by external water sources or permission from authorities to meet our intended requirement.

The detailed cost of each of the plant and machinery used in water treatment plant is as mentioned below:

S No.	Particulars	Amount (in INR)
1.	Effluent Treatment Plant (ETP) of 400 KLD Capacity	1,08,30,000.00
2.	Ultrafiltration and Three Stage Reverse Osmosis Plant (UF & RO)	1,07,00,000.00
3.	Erection and Commissioning (Equipment Erection, Piping Fabrication & Erection and Commissioning)	15,20,000.00
4.	Electrical Job with Cabling and Cable Trays	4,50,000.00
	Total	Rs. 2,35,00,000/ (Rupees Two Crore and Thirty-Five Lakh Only)

- The details of various parts to be supplied under Effluent Treatment Plant (ETP) of 400 KLD Capacity.

S No.	Description	Quantity
1.	Basic and Detailed Engineering	1 lot.
2.	Manual Coarse Bar Screen	1 no.
3.	Mechanical Bar Screen	1 no.
4.	Raw Effluent Transfer Cutter Pumps	2 nos.
5.	Air Diffusion Grid with Coarse Bubble Diffusers for Collection Tank	1 lot.
6.	Tube Settling Media for Mud Settling Tank	1 lot.
7.	Sludge Withdrawal Pumps for Mud Settling Tank	2 nos.
8.	Flash Mixer Mixing Arrangement	1 lot.



9.	Flocculation Tank Mixing Arrangement	1 lot.
10.	Raw Effluent Lifting Pumps	2 nos.
11.	Dosing System	2 nos.
12.	Polyelectrolyte Dosing System	1 no.
13.	Air Blowers for Equalization Tank, Sludge Holding Tank and Aeration Tank	2 nos.
14.	Air Diffusion Grid with Coarse Bubble Diffusers for Equalization Tank	1 lot.
15.	Tube Settling Media for Primary Settling Tank	1 lot.
16.	Sludge Withdrawal Pumps for Primary Settling Tank	2 nos.
17.	Air Diffusion Grid for Aeration Tank with Fine Bubble Diffusers	1 lot.
18.	Tube Settling Media for Secondary Settling Tanks	1 lot.
19.	Sludge Recycle/Withdrawal Pumps for Secondary Settling Tank- I	1 lot.
20.	Sludge Recycle/Withdrawal Pumps for Secondary Settling Tank- II	2 nos.
21.	Filter Feed Pumps	2 nos.
22.	Pressure Sand Filter	2 nos.
23.	Activated Carbon Filter	1 no.
24.	Air Diffusion Grid for Sludge Holding Tank + Diffusers	1 no.
25.	Screw Press Feed Pump	1 lot.
26.	Screw Press	1 no.
27.	Flowmeter	1 no.
28.	MCC Panel & Cabling	1 no.
29.	Interconnecting Piping	1 lot.
30.	Erection & Commissioning of Plant	1 lot.

- The details of tanks offered for the plant Ultrafiltration and Three Stage Reverse Osmosis Plant (UF & RO)

S No.	Description	Quantity
1.	Coarse Screen Chamber	1 No.
2.	Oil & Grease Chamber	1 No.
3.	Collection Tank	1 No.
4.	Mud Settling Tank	1 No.
5.	Equalization Tank	1 No.
6.	Equalization Tank	1 No.
7.	Flash Mixer	1 No.
8.	Coagulation and Flocculation Tank	1 No.
9.	Primary Tube Settling Tank	1 No.
10.	Aeration Tank-I	1 No.
11.	Secondary Tube Settling Tank-I	1 No.
12.	Aeration Tank-II	1 No.
13.	Secondary Tube Settling Tank-II	1 No.
14.	Filter Feed Tank	1 No.
15.	UF Feed Tank	1 No.
16.	RO-I Feed Tank	1 No.
17.	RO-II Feed Tank	1 No.
18.	RO-III Feed Tank	1 No.
19.	RO Permeate Tank / Treated Water Tank	1 No.
20.	RO Permeate Tank / Treated Water Tank	1 No.
21.	Chemical Sludge Holding Tank	1 No.
22.	Biological Sludge Holding Tank	1 No.
23.	Foundation for Pumps	1 No.
24.	Electrical Panel and Plant Room	1 No.

Quotation: *We have received a quotation from Inhibeo Water Solution & Technologies Private Limited dated May 17, 2024 amounting to Rs. 2.35 Lakhs (excluding GST). This quotation is valid as on date of this Prospectus.

B. PET Bottle Washing Line

Washline is specialised machinery or system which is typically used in washing our raw material (PET Bottles). These pet bottles are washed so as to remove any residue left or to remove any bacteria or contamination or loose dirt initially. Further they are also used in later stages of manufacturing when pet flakes are again washed to remove any chemicals or enhanced contaminations. This proposed installation will expand and upgrade our existing washline from 1MT to 3 MT per hour.

B.1 The washing line consists various parts details and price which are mentioned herein below:

S No.	Machine	Quantity	Price (in USD \$)
1.	Lift Loader A	1	14,500.00
2.	Buffer Silo	1	38500.00
3.	Screw Loader with small tank	1	5,000.00
4.	Hot Air Pipeine	1	18330.00
5.	Zig Zag Label Separator #1	1	22100.00
6.	Lift Loader B	1	9700.00
7.	Liner Vibrator C	1	15500.00
8.	Lift Loader	1	9700.00
9.	Sink Float Tank A	1	27500.00
10.	Sink Float Tank for PE/PP	1	17000.00
11.	Screw loader	1	5500.00
12.	Centrifugal Dryer for PE/PP	1	18000.00
13.	Packing Silo for PE/PP	1	4500.00
14.	High Speed Friction Washer	1	28000.00
15.	Screw Loader	1	8900.00
16.	Horizontal Screw	1	15500.00
17.	Hot washer A	1	29000.00
18.	Hot washer B	1	29000.00
19.	Hot washer C	1	29000.00
20.	Hot washer D	1	29000.00
21.	High Speed Friction Washer	1	28000.00
22.	Centrifugal Dryer	1	32500.00
23.	Sink Float Tank B	1	27500.00
24.	Sink Float Tank C	1	27500.00
25.	Sink Float Tank D	1	27500.00
26.	Centrifugal Dryer	1	32500.00
27.	Pipeline dryer	1	18330.00
28.	Zig Zag Label Separator #B	1	22100.00
29.	Lift Loader D	1	9700.00
30.	Vibration Feeder	1	8500.00
31.	Magnetic Roller	1	14350.00
32.	Eddy current sorter	1	75600.00
33.	Platform	1	4000.00
34.	Belt Conveyor (beneath the sorter)	1	8000.00
35.	Lift Loader	1	9700.00
36.	Liner Vibrator	1	15500.00
37.	Lift Loader (load flakes into the color sorter)	1	9700.00
38.	Electric Control Cabinet	1	77000.00



39.	Air condition	1	7500.00
40.	Online water Filter & re-use System	1	57000.00
41.	Auto Doser for Cleaning agent	1	32000.00
42.	Inland transportation cost to shanghai port	1	4,594.00
43.	Packing Cost	1	18,000.00
	Total amount in FOB shanghai port		9,41,304.00

B.2 List of auxiliary equipment that will be used in washline:

S No.	Particular	Quantity	Total Price (in USD \$)
1)	Air compressor for flake color sorter	1 set	17,913.00
2)	Blade Sharper	1 set	9,500.00
3)	Steam Boiler (gas/electric) 1.5~ 2T/h	1 set	48,000.00
4)	Water treatment system 20T/H	1 set	2,70,000.00
5)	Caustic Soda chips	1Ton	877.00
6)	Cleaning salt	1Ton	565.00
7)	Cleaning liquid	1Ton	1,600.00
8)	Cables (estimate)	1batch	35,000.00
9)	pipelines	1batch	15,000.00
	Total		3,98,455.00

Note:

- In case of increase in price of quotations at the time of purchase of product including but not limited to due to change in exchange rate, the excess amount will be funded by the company from internal accruals.
- Further the cost is mentioned in USD \$. The rate if exchange takes is 1\$ = Rs. 83.54 as on June 13, 2024. Thus, total cost of machinery is aggregate of B.1 and B.2, USD \$ 13,39,759, Rs. 11,19,23,466.00 (Rupees Eleven Crore Nineteen lakhs twenty-Three thousand and Four Hundred and Sixty-Six).
- Quotation:** We have received a quotation from Aceretech Recycling and Pelletizing dated May 13, 2024. The price quoted is excluding taxes. This quotation is valid as on date of this Prospectus

C. Sorting System

The Pet Bottles received before washing are sorted based on their colour, grade of plastic and non-essential items like label, bottle caps are removed. The proposed machinery is procured for recycling the by-product from the PET Washline, i.e., Caps. The flakes obtained will be converted into new recycled products.

S No.	Particular	Amount (in Euro)
1.	Innosort Flake [Nir1b-Crgb] [Xuhr-2000] [C-L] [Ejm-Ts105b/4.75] <ul style="list-style-type: none"> Scanner unit [NIR1-CRGB], Ultra High Resolution. Sorting width 2000mm – 4 Chutes of 500mm. Includes Vibrating Feeder. Sorting task: Polymer Flake sorting by polymer type and color – PET clear, PET color, and PE/PP flake. Integrated Control Panel and Sorting Electronics. Detectors and Illuminations. Nozzle bar with compressed air control unit. Valve block TS120 / 4.75mm Application package: Flake sorting by Type + Color. Excludes platform and connecting pipes 	363,200.00
2.	Installation, Commissioning, and optimization for the items above two (2) visits at the Delivery Address)	15,950.00
3.	Spare Parts	4000.00



	(Appendix to be provided upon final Purchase Agreement)	
4.	Freight	4000.00
Total		3,87,150.00

Note:

1. In case of increase in price of quotations at the time of purchase of product including but not limited to due to change in exchange rate, the excess amount will be funded by the company from internal accruals.
2. Further such price is not including other additional costs, registrations, pre shipments audit and such other cost as informed by the supplier etc. Thus, it may lead to change in final price
3. The rate of exchange is 1€ = Rs. 90.33 as on June 13, 2024.
4. **Quotations:** We have received a quotation from TOMRA Sorting GMBH dated April 28, 2024. The price quoted is excluding of taxes. This quotation is valid as on date of this Prospectus

2. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds aggregating Rs. 397.93 Lakhs for General Corporate Purposes subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI Regulations, including but not limited or restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

3. Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 315.00 Lakhs.

S. No.	Particulars	Amount (Rs. in Lakhs)	% of Total Expenses
1	Book Running Lead Manager Fees	50.00	15.87%
2	Escrow Bank Fees	0.70	0.22%
3	Registrars to the issue	1.75	0.56%
4	Legal Advisors	5.00	1.59%
5	Printing and advertising expenses	7.00	2.22%
6	Regulators including stock exchanges	5.10	1.62%
7	Market Maker Fees	6.00	1.90%
8	Others (Fees payable to the marketing and distributing expenses, Selling Commission, Brokerage, Processing Fees, Underwriting Fees, Peer Review Auditors, and other misc. expenses)	239.45	76.02%
Total		315.00	100.00%

MEANS OF FINANCE

(Rs. in Lakh)

Particulars	Estimated Amount
IPO Proceeds	2,416.64



APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

SCHEDULE OF IMPLEMENTATION

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

(Rs. in Lakhs)

Sr. No.	Particulars	Amount to be funded from Net Proceeds	Expenses incurred till September 14, 2024	Estimated Utilisation of Net Proceeds (F.Y. 2024-25)
1	Capital Expenditure	1,703.71	Nil	1,703.71
2	General Corporate Purposes	397.93	Nil	397.93
	Total	2,101.64	Nil	2,101.64

Note: The figures are indicative only, it may vary. The final figures will be given in RHP.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated September 14, 2024, from M/s, KRA & Co., Chartered Accountants. The certificate states that the Company has not deployed any amount towards issue expenses till September 14, 2024.

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The



statement will be certified by the Statutory Auditors of our Company. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the Postal Ballot Notice or E-Voting) 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 the 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 proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associates or group companies except in the normal course of business and as disclosed in the sections titled. Our Promoters, Our Promoters Group and Our Management as mentioned on page no. 159, 163 and 146 of this Prospectus.

This space has been left blank intentionally.



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 "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page 24, 120 and 173 respectively of the Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Price Band/ Issue Price shall be 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 through the Book Building Process and on the basis of qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is ₹ 64/-.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

1. *Sustainable Business Model*
2. *Environmentally conscious approach*
3. *Cordial relations with our customers*
4. *Quality Deliverables*

For further details, refer heading chapter titled –Our Business beginning on page 120 of this Prospectus.

QUANTITATIVE FACTORS

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

1. Basic & Diluted Earnings Per Share (EPS):

Financial Year	EPS (Basic & Diluted)	Weight
2023-24	2.41	3
2022-23	2.20	2
2021-22	0.54	1
Weighted Average EPS		2.03

Note:

- a) EPS Calculations have been done in accordance with Accounting Standard 20 - Earning per share issued by the Institute of Chartered Accountants of India.
- b) Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.
- c) Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

- d) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.
2. **Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 64/- per Equity Share of face value Rs. 10/- each fully paid up.**

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-2024	26.56
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-2023	29.09
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-2022	118.52
P/E ratio based on the Weighted Average EPS, as restated	31.53

**Not Annualized*

Industry P/E

*Highest	68.36
**Lowest	68.36
***Average	68.36

**We have taken the lowest P/E from the P/E of Listed Industry Peers.*

*** We have taken the highest P/E from the P/E of Listed Industry Peers.*

**** Average of Lowest and Highest Industry P/E.*

3. **Return on Net Worth (RONW)**

Financial Year	Return on Net Worth (%)	Weight
2023-24	18.42%	3
2022-23	25.34%	2
2021-22	8.31%	1
Weighted Average		19.04

Note:

- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated /Net worth as restated as at year end.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders.

4. **Net Asset Value per Equity Share**

Particulars	Net Asset Value (NAV) in Rs.
NAV as on March 31, 2024	13.06
NAV as on March 31, 2023	8.69
NAV as on March 31, 2022	6.49
NAV after the Offer- at Cap Price	27.14
NAV after the Offer- at Floor Price	26.03
NAV after the Offer- at Issue Price	27.14



Note: Net Asset Value has been calculated as per the following formula:

NAV = Net worth excluding preference share capital and revaluation reserve/Outstanding number of Equity shares outstanding during the year or period

5. Comparison with industry peers

(Amount in lakhs)

#	Name of the company	Face Value (Per Share)	CMP**	EPS	P/E Ratio** *	RoNW(%)	PAT
1	Divyadhan Recycling Industries Limited	10	64.00	2.41	26.56	18.42	237.80
Peer Group*							
2	Ganesha Ecosphere Limited	10	1,907.20	27.90	68.36	5.74	6,247.53

**Sourced from Annual Reports, Audited Financials, NSE.*

***Current Market Price is taken as closing on September 16, 2024*

****We have calculated P/E Ratio by dividing the Current Market Price on September 16, 2024 and EPS as on March 31, 2024.*

Note: Industry Peer may be modified for finalization of Issue Price before filing Red Herring Prospectus with ROC.

Notes:

- Considering the nature and turnover of business of the Company the peer are not strictly comparable. However, the same have been included for broader comparison.
- The figures for Divyadhan Recycling Industries Limited are based on the restated results for the period ended March 31, 2024.
- The figures (except PE) for the peer group are based on standalone audited results for the respective year ended March 31, 2024.
- Current Market Price (CMP) is the closing price of respective scrip as on September 16, 2024.

For further details, see section titled Risk Factors beginning on page 24 and the financials of the Company including profitability and return ratios, as set out in the section titled Auditors Report and Financial Information of Our Company beginning on page 173 of this Prospectus for a more informed view.

Key financial and operational performance indicators (“KPIs”)

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 14, 2024. Further, the KPIs herein have been certified by M/s KRA & Co., Chartered Accountants, by their certificate dated September 14, 2024 vide UDIN 24503150BKAMCL7385. Additionally, the Audit Committee on its meeting dated September 14, 2024 have confirmed that other than verified and audited KPIs set out below, our company has not disclosed to earlier investors at any point of time during the three years period prior to the date of the Prospectus.

For further details of our key performance indicators, see “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 24, 120 and 202 of this prospectus respectively. We have described and defined them, where applicable, in “Definitions and Abbreviations” section on page 02 of this prospectus. Our Company confirms that it shall continue to disclose all the KPIs included in this section “Basis for Offer Price”, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company as required under the SEBI ICDR Regulations.

1. Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratio are monitored on a periodic basic for evaluating the overall performance of our Company.

KPI indicators

(Amount in ₹ lakhs, except EPS, % and ratios)

Particulars	Financial Year ended March 31st, 2024	Financial Year ended March 31st, 2023	Financial Year ended March 31st, 2022
Revenue from operations ⁽¹⁾	5612.99	5733.83	5777.70
Growth in Revenue from Operations ⁽²⁾	(2.11%)	(0.76%)	-
EBITDA ⁽³⁾	570.18	506.67	289.64
EBITDA (%) Margin ⁽⁴⁾	10.16%	8.84%	5.01%
EBITDA Growth Period on Period ⁽⁵⁾	12.54%	74.93%	-
ROCE (%) ⁽⁶⁾	20.76%	25.48%	10.30%
Current Ratio ⁽⁷⁾	1.14	0.94	0.90
Operating Cash flow ⁽⁸⁾	220.98	442.10	383.51
PAT ⁽⁹⁾	237.80	216.18	52.91
ROE/ RoNW ⁽¹⁰⁾	18.42%	25.34%	8.31%
EPS ⁽¹¹⁾	2.41	2.20	0.54

Notes:

- ⁽¹⁾ Revenue from operations is the total revenue generated by our Company.
- ⁽²⁾ Growth in Revenue in percentage, Year on Year
- ⁽³⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
- ⁽⁴⁾ EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- ⁽⁵⁾ EBITDA Growth Rate Year on Year in Percentage
- ⁽⁶⁾ ROCE is Return on Capital Employed calculated as EBIT divided by Total Equity plus Total Debt
- ⁽⁷⁾ Current Ratio: Current Asset over Current Liabilities
- ⁽⁸⁾ Operating Cash Flow: Net cash inflow from operating activities.
- ⁽⁹⁾ PAT is mentioned as PAT for the period.
- ⁽¹⁰⁾ ROE/RoNW is calculated PAT divided by shareholders' equity
- ⁽¹¹⁾ EPS is mentioned as EPS for the period

KPI	Explanation
Revenue from operation	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
Revenue Growth Rate %	Revenue Growth rate informs the management of annual growth rate in revenue of the company in consideration to previous period
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
EBITDA Growth Rate %	EBITDA Growth Rate informs the management of annual growth rate in EBITDA of company in consideration to previous period
ROCE %	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	Current ratio indicate the company's ability to bear its short term obligations



Operating Cash Flow	Operating cash flow shows whether the company is able to generate cash from day to day business
PAT	Profit after Tax is an indicator which determine the actual earning available to equity shareholders
ROE/RoNW	It is an indicator which shows how much company is generating from its available shareholders' funds
EPS	Earning per shares is the company's earnings available of one share of the Company for the period

2. GAAP Financial Measures

GAAP Financial measures are numerical measures which are disclosed by the issuer company in accordance with the Generally Accepted Accounting Principles (GAAP) applicable for the issuer company i.e., measures disclosed in accordance with Indian Accounting Standards ("Ind AS") or Accounting Standards ("AS") notified in accordance with Section 133 of the Companies Act, 2013, as amended (the "Act"). These measures are generally disclosed in the financial statements of the issuer company.

On the basis of Restated Financial statements.

Particulars	(₹ lakhs)		
	Financial Year ended March 31st, 2024	Financial Year ended March 31st, 2023	Financial Year ended March 31st, 2022
Revenue from operations	5612.99	5733.83	5777.70
Profit after tax	237.80	216.18	52.91
Cash flow from operating activities	22.98	442.10	383.51
Cash Flow from investing activities	(217.62)	(132.24)	(74.19)
Cash Flow from financing activities	196.48	(310.54)	(308.99)
Net Change in Cash and cash equivalents	196.48	(0.68)	0.33

3. Non- GAAP Financial measures

Non-GAAP Financial measures are numerical measures of the Technical Guide on Disclosure and Reporting of KPIs issuer company's historical financial performance, financial position, or cash flows that:

- Exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measures calculated and presented in accordance with GAAP in the financial statements of the issuer company; or

Include amounts or are subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measures so calculated and presented. Such adjustment items should be based on the audited line items only, which are included in the financial statements. These Non-GAAP Financial measures are items which are not defined under Ind AS or AS, as applicable. Generally, if the issuer company takes a commonly understood or defined GAAP amount and removes or adds a component of that amount that is also presented in the financial statements, the resulting amount is considered a Non-GAAP Financial measure. As a simplified example, if the issuer company discloses net income less restructuring charges and loss on debt extinguishment (having determined all amounts in accordance with GAAP), the resulting performance amount, which may be labelled "Adjusted Net Income," is a Non-GAAP Financial measure.

On the basis of Restated Standalone financial statements.

(in ₹ lakhs, except %)

Particulars	Financial Year ended March 31st, 2024	Financial Year ended March 31st, 2023	Financial Year ended March 31st, 2021
EBITDA	570.18	506.67	289.64
Gross Margin	9.76%	11.06%	4.96%
EBITDA margin	10.16%	8.84%	5.01%
Working capital	147.11%	(44.52)	(65.32)
PAT Margin	4.24%	3.77%	0.92%
Net worth	1291.03	853.23	637.05

Apart from the above, Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021, has issued certain amendments to the Schedule III to the Act. Pursuant to these amendments, the below ratios are also required to be presented in the financial statements of the companies:

On the basis of Restated financial statements.

Particulars	Financial Year ended March 31, 2023	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Current ratio	1.14	0.94	0.90
Debt-equity ratio	0.47	0.64	1.26
Debt service coverage ratio	8.82	8.99	3.83
Inventory turnover ratio	10.02	10.19	22.22
Trade receivables turnover ratio	16.49	29.24	29.22
Trade payables turnover ratio	14.22	14.55	21.29
Net capital turnover ratio	4.35	6.72	9.07
Net profit ratio	0.04	0.04	0.01
Return on equity ratio	0.18	0.25	0.08
Return on capital employed	0.21	0.25	0.10

Ratio	Explanation
Current Ratio	Current Assets divided by Current Liabilities
Debt-equity ratio	Long Term Debt divided by Net Worth
Debt service coverage ratio	EBIT divided by Total Debt + Finance Cost
Inventory turnover ratio	Revenue from operation divided by closing inventory
Trade receivables turnover ratio	Revenue from Operations divided by Closing Debtors
Trade payables turnover ratio	Total Operating Expenses divided by Closing Creditors
Net capital turnover ratio	Revenue from Operations divided by Working Capital
Net profit ratio	Profit after Tax divided by Revenue from Operations
Return on equity ratio	Profit after Tax divided by Net Worth
Return on capital employed	EBIT divided by Total Equity plus Total Debt

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4. Comparison of KPI with listed industry peers.

(Amount in ₹ lakhs, except %)

Particulars	Divyadhan Recycling Industries Limited			Ganesha Ecosphere Ltd		
	Mar-24	Mar-23	Mar-22	Mar-24	Mar-23	Mar-22
Revenue From Operation ⁽¹⁾	5612.99	5,733.83	5,777.70	97,534.03	113,285.92	102,235.46
Growth in Revenue from Operation ⁽²⁾	(2.11%)	(0.76%)	-	(13.90%)	10.81%	-
EBITDA ⁽³⁾	570.18	506.67	289.64	12549.81	14,028.45	12,886.60
EBITDA Margin ⁽⁴⁾	10.16%	8.84%	5.01%	12.87%	12.38%	12.60%
PAT ⁽⁵⁾	237.80	216.18	52.91	6,247.53	7,331.93	6,954.65
PAT Margin ⁽⁶⁾	4.24%	3.77%	0.92%	6.41%	6.47%	6.80%
Net Worth ⁽⁸⁾	1291.03	853.23	637.05	1,08,915.22	65,335.13	58,403.71
ROCE ⁽⁹⁾	20.76%	25.34%	8.31%	9.05%	13.98%	14.69%
Current Ratio ⁽¹⁰⁾	1.14	0.94	0.90	6.04	1.70	1.96
EPS ⁽¹¹⁾	2.41	2.20	0.54	27.90	33.59	31.86

**All the information for listed industry peer mentioned above is on a standalone basis and is sourced from their respective audited/ unaudited financial results and/or annual report.

Notes:

- (1) Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected companies
- (2) Growth in Revenue from Opera (%) is calculated period on period
- (3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost
- (4) EBITDA Margin' is calculated as EBITDA divided by Total Income
- (5) EBITDA Growth Rate is calculated period on period
- (6) ROCE: Return on Capital Employed is calculated as EBIT divided by Total Equity plus Total Debt
- (7) Current Ratio: Current Asset over Current Liabilities
- (8) Operating Cash Flow: Net cash inflow from operating activities.
- (9) PAT is mentioned as PAT for the period
- (10) ROE/RoNW is calculated PAT divided by shareholders' equity
- (11) EPS is mentioned as EPS for the period

This space has been left blank intentionally.

5. Weighted average cost of acquisition.

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

The details of the Equity Shares excluding shares issued under ESOP/ESOS and issuance of bonus shares during the 18 months preceding the date of this prospectus where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction), in a single transaction or multiple transactions combined together over a span of rolling 30 days; and

Date of allotment	No of equity shares allotted***	Face value *	Issue price*	Issue price (Adjusted for Bonus Shares)	Nature of allotment	Nature of consideration	Total consideration (in Rs.)
On Incorporation	10,000	10	10	5	Subscription to MOA	Cash	100,000
22-03-2020	49,00,000	10	10	5	Right Issue	Cash	49,000,000
02-12-2023	42,857	10	21	10.5	Conversion	Other than Cash	899,997
09-03-2024	3,12,500	10	64	32	Private placement	Cash	20,000,000

- b) The price per share of our Company based on the secondary sale/ acquisition of shares.

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

- c) Weighted average cost of acquisition, floor price and cap price:

Type of transaction	Weighted average cost of acquisition (₹ per equity shares)	Weighted average cost of acquisition after Bonus adjustment (₹ per equity shares)	Floor Price (times)	Cap Price (times)
Weighted average cost of primary / new issue acquisition	3.72	1.86	16.13	17.20
Weighted average cost of secondary acquisition	NA	NA	NA	NA

*Calculated for last 18 months

**Calculated for Transfer of Equity Shares.

6. Explanation for Offer Price / Cap Price being 16.13 times and 17.20 times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) in view of the external factors which may have influenced the pricing of the Offer: Not Applicable.



STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Divyadhan Recycling Industries Limited
1803, Lodha Supremus, Saki Vihar Road,
Opp. Telephone Exchange, Powai, Mumbai City,
Maharashtra – 400072.

Dear Sir(s),

Sub: Statement of possible Special tax benefit ('the Statement') available to Divyadhan Recycling Industries Limited and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')

We hereby confirm that the enclosed annexure, prepared by “**Divyadhan Recycling Industries Limited**” (“**the Company**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2021, i.e., applicable for the Financial Year 2022-23 relevant to the assessment year 2023-24, presently in force in India for inclusion in the Draft Red Herring Prospectus (“DRHP”) / Red Herring Prospectus (“RHP”) / Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

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 the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated 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 hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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 issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

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

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



We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the DRHP for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

Limitations

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus/ Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

The certificate is issued solely for the limited purpose to comply with Indian [ICDR Regulations]. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India (including in the United States of America), and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. This report should not be relied upon by prospective investors outside India (including persons who are Qualified Institutional Buyers as defined under (i) Rule 144A or (ii) Regulations under the United States Securities Act of 1933, as amended) participating in the Offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation or any other laws other than laws of India.

Signed in terms of our separate report of even date.

**For M/s KRA & Co.,
Chartered Accountants
Firm Reg No: 020266N
Peer Review Certificate No. 012550**

**Sd/-
CA Rajat Goyal
Partner
Membership Number: 503150**

**Place: Delhi
Date: June 10, 2024**

UDIN: 24503150BKALWN4366



Annexure to the statement of possible Tax Benefits

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the taxation laws presently forced 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 the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

1. Special Tax Benefits available to the Company under the Act:

The Company is not entitled to any Special tax benefits under the Act.

2. Special Tax Benefits available to the shareholders of the Company

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. 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.

Signed in terms of our separate report of even date.

**For M/s KRA & Co.,
Chartered Accountants
Firm Reg No: 020266N
Peer Review Certificate No. 012550**

**Sd/-
CA Rajat Goyal
Partner
Membership Number: 503150**

**Place: Delhi
Date: June 10, 2024
UDIN: 24503150BKALWN4366**

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

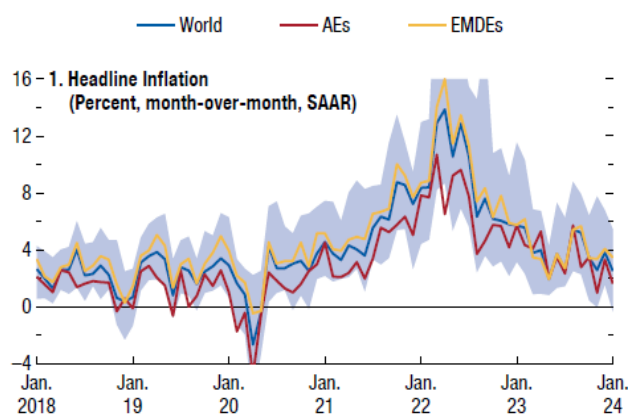
The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified 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 OUTLOOK

Disinflation amid Economic Resilience

Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favorable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia's invasion of Ukraine, weak growth in productivity, and increasing geoeconomic fragmentation.

Figure 1.1. Global Inflation Falling as Output Grows



In late 2023, headline inflation neared its prepandemic level in most economies for the first time since the start of the global inflation surge (Figure 1.1). In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession. During 2022 and 2023, global real GDP rose by a cumulative 6.7 percent.

The resilience in global economic activity was compatible with falling inflation thanks to a postpandemic expansion on the supply side. A greater-than-expected rise in the labor force amid robust employment growth supported activity and disinflation in advanced economies and several large emerging market and middle-income economies. The labor force expansion reflected, in some economies, increased inflows of migrants, with faster growth in the foreign-born than in the domestic-born labor force since 2021, as well as higher labor force participation rates. Exceptions to this pattern include China, where labor market weakness, in the context of subdued demand, was broad based across sectors, and lower-income countries, where supply-side challenges held job creation back. Greater-than-expected additions to the stock of physical capital, with business investment responding to the strength



in product demand, further bolstered the supply side in most regions, with exceptions including the euro area, where interest-rate-sensitive business investment, particularly in manufacturing, was subdued.

The price of energy fell faster than expected from its peak, in part as a result of increased non-OPEC (Organization of the Petroleum Exporting Countries) oil production and increased natural gas output, most notably in the United States. Rising exports of Russian oil on account of the expanding non-Western-aligned oil tanker fleet carrying Russian oil and Russia's setting up its own maritime insurance added further to the world energy supply.

Interest Rates Restrictive, but Set to Fall

To counter rising inflation, major central banks have raised policy interest rates to levels estimated as restrictive. As a result, mortgage costs have increased and credit availability is generally tight, resulting in difficulties for firms refinancing their debt, rising corporate bankruptcies, and subdued business and residential investment in several economies. The commercial real estate sector, including office markets, is under especially strong pressure in some economies, with rising defaults and lower investment and valuations, reflecting the combined effects of higher borrowing costs and the shift toward remote work since the pandemic.

However, despite concerns, a global economic downturn caused by a sharp rise in policy rates has not materialized.

The average maturity and share of mortgages subject to fixed rates increased, moderating the near-term impact of rate hikes. At the same time, there is substantial heterogeneity in the degree of the monetary policy pass-through to mortgages and housing markets across countries.

Nevertheless, the cooling effects of high policy rates are intensifying in several economies. Fixed-rate mortgages are resetting, the stock of pandemic savings available to soften the impact on households has declined in advanced economies, and with inflation expectations falling, real policy rates are rising even where central banks have not changed nominal rates.

At the same time, with inflation moving toward targets, market expectations that policy rates will decline have generally contributed to a decline in long-term borrowing rates, rising equity markets, and an easing in overall global financial conditions since last October, although funding is still more expensive than before the pandemic. Central banks that raised policy rates earlier, including those in Brazil and Chile, have already cut them substantially since the second half of 2023. With expectations of lower interest rates in advanced economies, the appetite for assets in emerging market and developing economies has picked up, and sovereign spreads on risk-free government debt have fallen from their July 2022 peaks toward their prepandemic levels. Accordingly, more governments that earlier faced severe funding shortages are accessing international debt markets this year.

Figure 1.5. Global Energy Price and Oil Supply

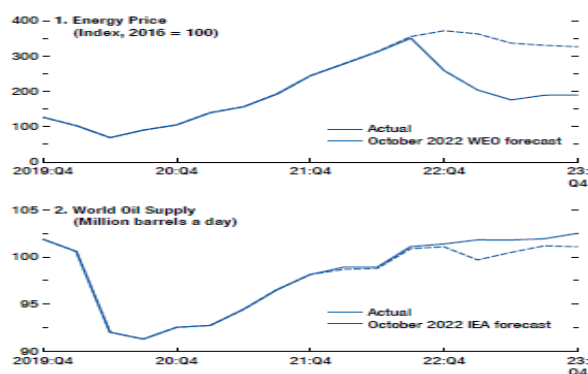
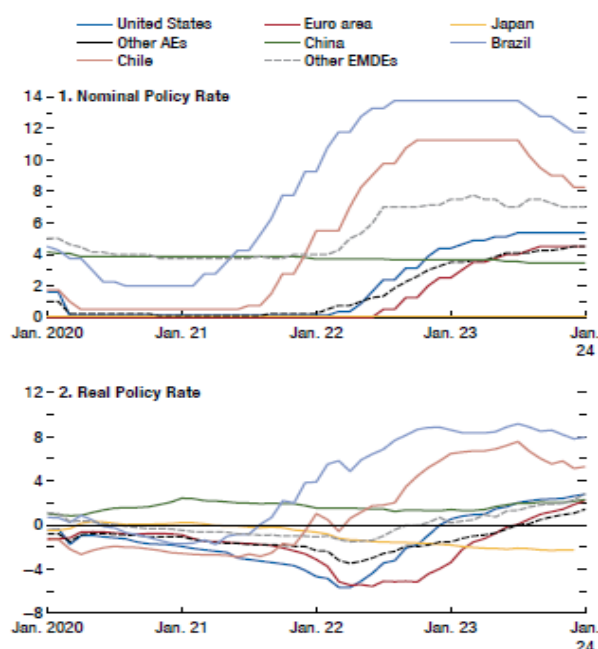


Figure 1.9. Monetary Tightening: Nominal and Real (Percent)



Elevated Debt Burdens

Debt-to-GDP ratios, which increased sharply during the pandemic, remain elevated, and large budget deficits continue to raise the debt burden in many economies. Interest payments on debt have also increased as a share of government revenues, crowding out necessary growth-enhancing budgetary investments. In low-income countries, interest payments are estimated to average 14.3 percent of general government revenues in 2024, about double the level 15 years ago. To rebuild budgetary room for maneuver and curb the rising path of debt, the fiscal policy stance is expected to tighten in 2024 and beyond, with higher taxes and lower government spending in several advanced and emerging market and developing economies. This shift is expected to weigh on near-term economic activity.

The Outlook: Steady Growth and Disinflation

Latest projections are for the global economy to continue growing at a similar pace as in 2023 during 2024–25 and for global headline and core inflation to decline steadily. There is little change in the forecast for global growth since the January 2024 WEO Update, with some adjustments for major economies (Tables 1.1 and 1.2), including a further strengthening in the projection for the United States, offset by modest downward revisions across several other economies. The forecast for global growth remains higher, however, than in the October 2023 WEO. The outlook for inflation is broadly similar to that in the October 2023 WEO, with a downward revision for advanced economies, offset by an upward revision for emerging market and developing economies. Medium-term prospects for growth in world output and trade remain the lowest in decades, with the pace of convergence toward higher living standards slowing for middle- and lower-income countries.

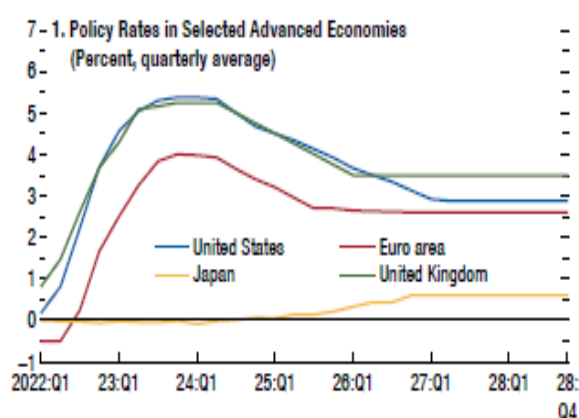
The baseline forecasts for the global economy are predicated on a number of projections for global commodity prices, interest rates, and fiscal policies (Figure 1.13):

- *Commodity price projections:* Prices of fuel commodities are projected to fall in 2024 by, on average, 9.7 percent, with oil prices falling by about 2.5 percent. Coal and natural gas prices are expected to continue declining from their earlier peaks, by 25.1 percent for coal and 32.6 percent for natural gas in 2024, with the gas market becoming increasingly balanced on account of new supply, dampened demand, and high storage levels. The forecast for nonfuel commodity prices is broadly stable in 2024, with prices for base metals expected to fall by 1.8 percent, on account of weaker industrial activity in Europe and China. Food commodity prices are predicted to decline by 2.2 percent in 2024. Compared with those in the January 2024 WEO Update, forecasts for food prices have been revised slightly downward, driven by expectations of abundant global supplies for wheat and maize.

- *Monetary policy projections:* With inflation projected to continue declining toward targets and longer-term inflation expectations remaining anchored, policy rates of central banks in major advanced economies are generally expected to start declining in the second half of 2024 (Figure 1.13).

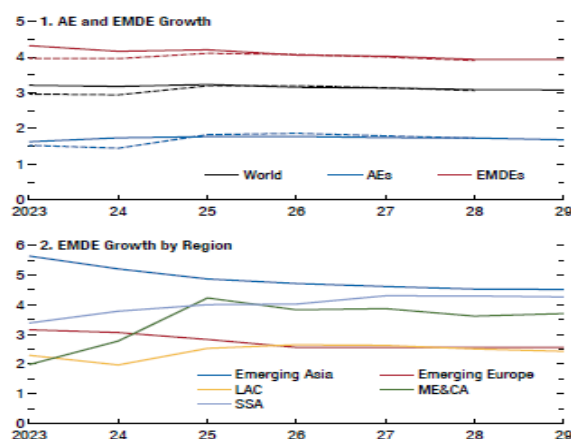
- *Fiscal policy projections:* Governments in advanced economies are expected to tighten fiscal policy in 2024 (Figure 1.13) and, to a lesser extent, in 2025–26. Among major advanced economies, the structural fiscal-balance-to-GDP ratio is expected to rise by 1.9 percentage points in the United States and by 0.8 percentage point in the euro area in 2024. In emerging market and developing economies, the projected fiscal stance is expected to be, on average, broadly neutral in 2024, with a tightening of about 0.2 percentage point projected for 2025.

Figure 1.13. Monetary and Fiscal Policy Projections



Growth Outlook: Stable but Slow

Figure 1.14. Growth Outlook: Broadly Stable
(Percent; solid = April 2024 WEO, dashes = October 2023 WEO)



Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025 (Table 1.1). The projection for 2024 is revised up by 0.1 percentage point from the January 2024 WEO Update, and by 0.3 percentage point with respect to the October 2023 WEO forecast (Figure 1.14). Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth rise slightly, with the increase mainly reflecting a recovery in the euro area from low growth in 2023, whereas emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

Table 1.1. Overview of the World Economic Outlook Projections
(Percent change, unless noted otherwise)

	2023	Projections		Difference from January 2024 WEO Update ¹		Difference from October 2023 WEO ¹	
		2024	2025	2024	2025	2024	2025
World Output	3.2	3.2	3.2	0.1	0.0	0.3	0.0
Advanced Economies	1.6	1.7	1.8	0.2	0.0	0.3	0.0
United States	2.5	2.7	1.9	0.6	0.2	1.2	0.1
Euro Area	0.4	0.8	1.5	-0.1	-0.2	-0.4	-0.3
Germany	-0.3	0.2	1.3	-0.3	-0.3	-0.7	-0.7
France	0.9	0.7	1.4	-0.3	-0.3	-0.6	-0.4
Italy	0.9	0.7	0.7	0.0	-0.4	0.0	-0.3
Spain	2.5	1.9	2.1	0.4	0.0	0.2	0.0
Japan	1.9	0.9	1.0	0.0	0.2	-0.1	0.4
United Kingdom	0.1	0.5	1.5	-0.1	-0.1	-0.1	-0.5
Canada	1.1	1.2	2.3	-0.2	0.0	-0.4	-0.1
Other Advanced Economies ²	1.8	2.0	2.4	-0.1	-0.1	-0.2	0.1
Emerging Market and Developing Economies	4.3	4.2	4.2	0.1	0.0	0.2	0.1
Emerging and Developing Asia	5.6	5.2	4.9	0.0	0.1	0.4	0.0
China	5.2	4.6	4.1	0.0	0.0	0.4	0.0
India ³	7.8	6.8	6.5	0.3	0.0	0.5	0.2
Emerging and Developing Europe	3.2	3.1	2.8	0.3	0.3	0.9	0.3
Russia	3.6	3.2	1.8	0.6	0.7	2.1	0.8
Latin America and the Caribbean	2.3	2.0	2.5	0.1	0.0	-0.3	0.1
Brazil	2.9	2.2	2.1	0.5	0.2	0.7	0.2
Mexico	3.2	2.4	1.4	-0.3	-0.1	0.3	-0.1
Middle East and Central Asia	2.0	2.8	4.2	-0.1	0.0	-0.6	0.3
Saudi Arabia	-0.8	2.6	6.0	-0.1	0.5	-1.4	1.8
Sub-Saharan Africa	3.4	3.8	4.0	0.0	-0.1	-0.2	-0.1
Nigeria	2.9	3.3	3.0	0.3	-0.1	0.2	-0.1
South Africa	0.6	0.9	1.2	-0.1	-0.1	-0.9	-0.4
Memorandum							
World Growth Based on Market Exchange Rates	2.7	2.7	2.7	0.1	0.0	0.3	0.0
European Union	0.6	1.1	1.8	-0.1	-0.1	-0.4	-0.3
ASEAN-5 ⁴	4.1	4.5	4.6	-0.2	0.2	0.0	0.1
Middle East and North Africa	1.9	2.7	4.2	-0.2	0.0	-0.7	0.3
Emerging Market and Middle-Income Economies ⁵	4.4	4.1	4.1	0.0	0.0	0.2	0.1
Low-Income Developing Countries ⁵	4.0	4.7	5.2	-0.2	-0.1	-0.3	-0.1
World Trade Volume (goods and services)	0.3	3.0	3.3	-0.3	-0.3	-0.5	-0.4
Imports							
Advanced Economies	-1.0	2.0	2.8	-0.7	-0.4	-1.0	-0.4
Emerging Market and Developing Economies	2.0	4.9	4.1	0.0	-0.3	0.5	-0.6
Exports							
Advanced Economies	0.9	2.5	2.9	-0.1	-0.3	-0.6	-0.4
Emerging Market and Developing Economies	-0.1	3.7	3.9	-0.4	-0.4	-0.5	-0.3
Commodity Prices (US dollars)							
Oil ⁶	-16.4	-2.5	-6.3	-0.2	-1.5	-1.8	-1.4
Nonfuel (average based on world commodity import weights)	-5.7	0.1	-0.4	1.0	0.0	2.8	-0.3
World Consumer Prices⁷	6.8	5.9	4.5	0.1	0.1	0.1	-0.1
Advanced Economies ⁸	4.6	2.6	2.0	0.0	0.0	-0.4	-0.2
Emerging Market and Developing Economies ⁷	8.3	8.3	6.2	0.2	0.2	0.5	0.0

Growth Forecast for Advanced Economies

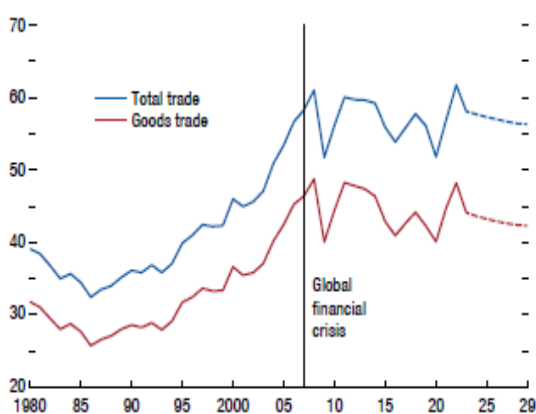
For *advanced economies*, growth is projected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025. The forecast is revised upward by 0.2 percentage point for 2024 compared with the January 2024 WEO Update projections and remains the same for 2025. The 2024 upgrade reflects a revision to US growth, while an upward revision to the US broadly offsets a similar downward revision to the euro area in 2025.

Growth Forecast for Emerging Market and Developing Economies

In *emerging market and developing economies*, growth is expected to be stable at 4.2 percent in 2024 and 2025, with a moderation in emerging and developing Asia offset mainly by rising growth for economies in the Middle East and Central Asia and for sub-Saharan Africa. *Low-income developing countries* are expected to experience gradually increasing growth, from 4.0 percent in 2023 to 4.7 percent in 2024 and 5.2 percent in 2025, as some constraints on near-term growth ease.

World Trade Outlook: Stable, in Line with Output

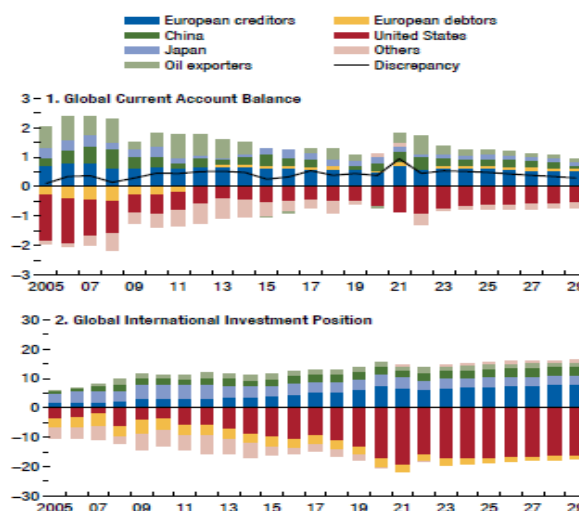
Figure 1.17. Global Trade Outlook: Stable
(Percent of GDP)



World trade growth is projected at 3.0 percent in 2024 and 3.3 percent in 2025, with revisions of a 0.3 percentage point decrease for 2024 and 2025 compared with January 2024 projections. Trade growth is expected to remain below its historical (2000–19) annual average growth rate of 4.9 percent over the medium term, at 3.2 percent in 2029. This projection implies, in the context of the relatively low outlook for economic growth, a ratio of total world trade to GDP (in current dollars) that averages 57 percent over the next five years, broadly in line with the evolution in trade since the global financial crisis (Figure 1.17). Even as world trade-to-GDP ratios remain relatively stable, significant shifts in trade patterns are taking place, with increasing fractures along geopolitical lines, especially since the start of the war in Ukraine in February 2022.

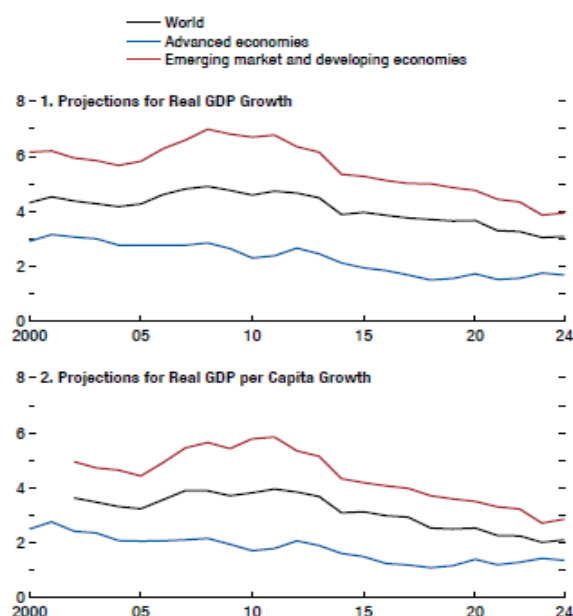
Meanwhile, global current account balances—the sums of absolute surpluses and deficits—are expected to continue narrowing in 2024, as in 2023, following their significant increase in 2022 (Figure 1.18). The rise in current account balances in 2022 reflected contributions from elevated commodity prices, triggered by Russia’s invasion of Ukraine, the uneven recovery from the pandemic, and the rapid tightening of US monetary policy. Over the medium term, global balances are expected to narrow gradually as the contribution of these factors wanes. Creditor and debtor stock positions are estimated to have increased in 2023, with valuation losses in debtor economies and gains in creditor economies more than offsetting narrowing current account balances. These positions are expected to stabilize over the medium term. In some economies, gross external liabilities remain large from a historical perspective and pose risks of external stress.

Figure 1.18. Current Account and International Investment Positions
(Percent of global GDP)



Medium-Term Growth Outlook: Low by Historical Standards

Figure 1.19. Forecasts for Global GDP and GDP per Capita
(Percent; five-year-ahead projections)



The latest forecast for global growth in 2029 is 3.1 percent. This medium-term forecast—unchanged since the October 2023 WEO—is at its lowest in decades (Figure 1.19). It is lower than the medium-term projection of 3.6 percent made just before the onset of the pandemic (at the time of the January 2020 WEO *Update*), the 4.9 percent medium-term projection made just before the onset of the global financial crisis (at the time of the April 2008 WEO), and the historical (2000–19) annual average 3.8 percent for actual global growth. The gradual erosion in global growth prospects reflects factors beyond a more slowly rising global population.

The bulk of the decline reflects a fall in prospective growth in GDP per person, which is down from a medium-term forecast of 3.9 percent made before the global financial crisis to 2.1 percent in the latest projections (Figure 1.19, panel 2).

Risks to the Outlook: Broadly Balanced

Risks to the global economic landscape have diminished since October 2023, leading to a broadly balanced distribution of possible outcomes around the baseline projection for global growth, from a clear downside tilt in the April 2023 WEO and the October 2023 WEO. With inflationary pressures abating more swiftly than expected in many countries, risks to the inflation outlook are now also broadly balanced. Overall, there is scope for further favorable surprises, but numerous adverse risks pull the distribution of outcomes in the opposite direction.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>)

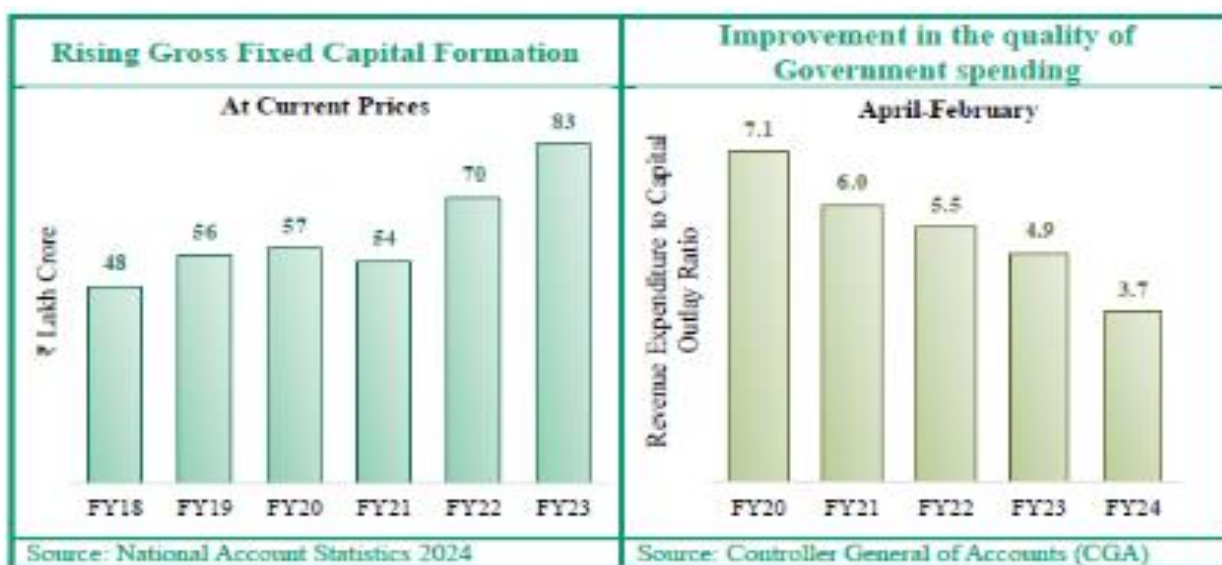
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INDIAN ECONOMY

FY25 Started with a Strong Performance of Domestic Activity in April

1. Domestic economic activity remained buoyant in FY24, and the momentum has continued in FY25. GST collection jumped to a high of ₹ 2.1 lakh crore in April 2024. The strong uptick was driven by an increase in domestic transactions and imports. The average GST collections have also displayed a level shift upwards over the years due to heightened economic activity and a widening tax base. Among lead demand indicators, toll collection registered continued growth in April 2024. Electricity consumption also accelerated in April due to rising temperatures and increased industrial activity. Vehicle registrations surged in April 2024, led by two-wheelers on the back of stable fuel prices and a positive outlook for monsoon. However, on account of seasonality, e-way bill generation softened compared to March 2024, but registered strong growth compared to the corresponding month last year.

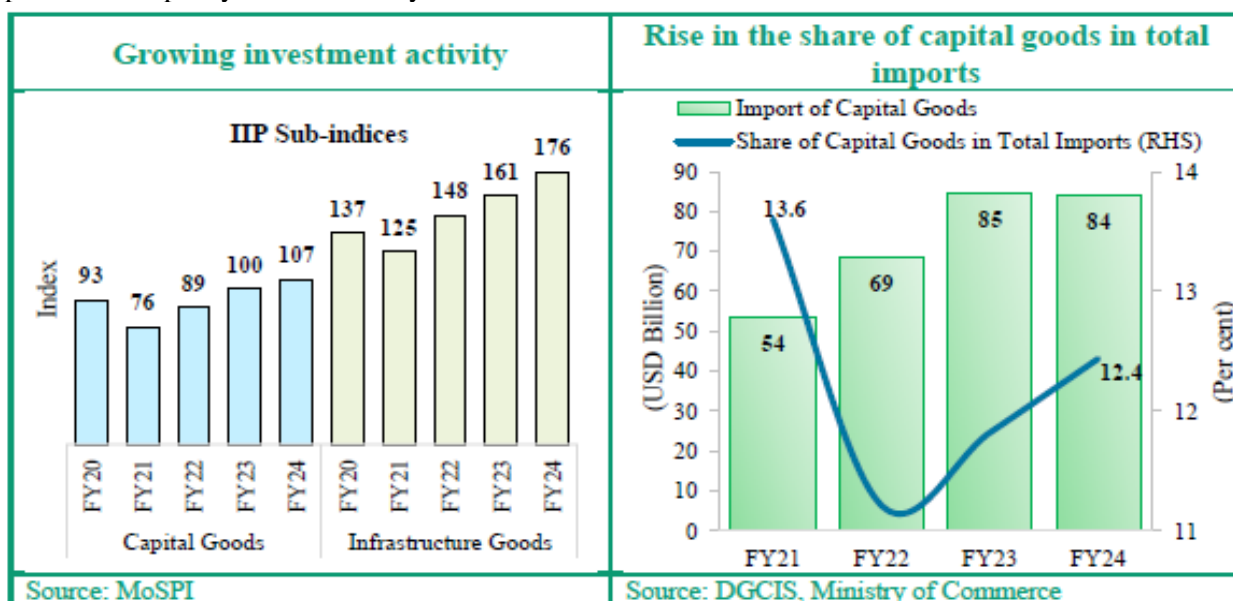
Resilient Investment Indicators



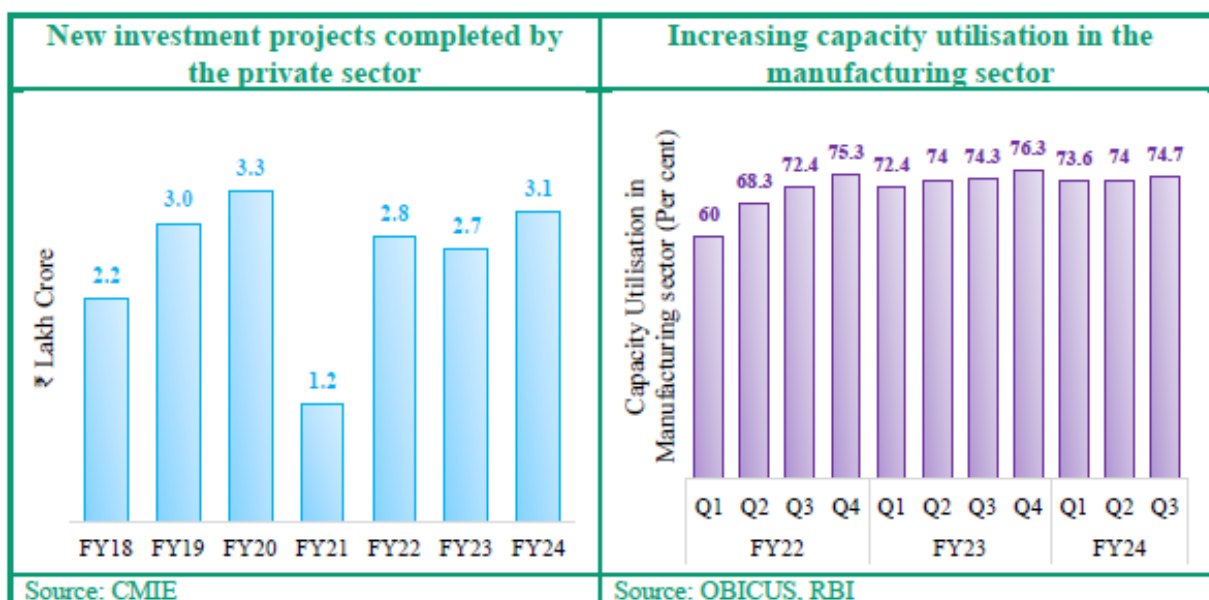
2. Investment activity continues to display stability despite ongoing geopolitical headwinds. As per the Second Advance Estimates of National Income released by the National Statistical Office (NSO), the Gross Fixed Capital Formation (GFCF) is expected to be the largest GDP growth driver in FY24, with a percentage contribution of 44.9 per cent. The National Account Statistics 2024 shows GFCF growing by 18.7 per cent in FY23 from ₹69.8 lakh crore in FY22 to ₹82.9 lakh crore in FY23, with broad-based growth across sectors. GFCF in private non-financial corporations witnessed a most notable CAGR of 10.6 per cent from FY12 to FY23, highlighting a pick-up in private capital expenditure.
3. According to the data released by the Controller General of Accounts, capital expenditure by the Union Government from April 2023 to February 2024 stood at ₹8.1 lakh crore, 36.5 per cent higher compared to the corresponding period of the previous year. Increased capital expenditure by the Union Government has led to an improvement in the quality of Government spending, as reflected in the decline in the revenue expenditure to capital outlay ratio. The ratio declined from 7.1 in FY20 (April-February) to 3.7 in FY24 (April-February). The increased spending on capex has also incentivised States to increase their capital spending. Capital expenditure by 22 major States grew by 26.6 per cent during April 23-February 24, versus 13.3 per cent in the corresponding period of the previous year.

Increased Government investment activity has also resulted in the crowding-in of private investment. Capital Goods and Construction/Infrastructure Goods indices of the Index of Industrial Production (IIP) were 6.2 per cent and 9.6 per cent higher during FY24 compared to the previous year. Though imports of capital goods in FY24 were marginally lower than that in the previous year, their share in overall imports

increased from 11.8 per cent in FY23 to 12.4 per cent in FY24, indicating a continued build-up of productive capacity in the economy.

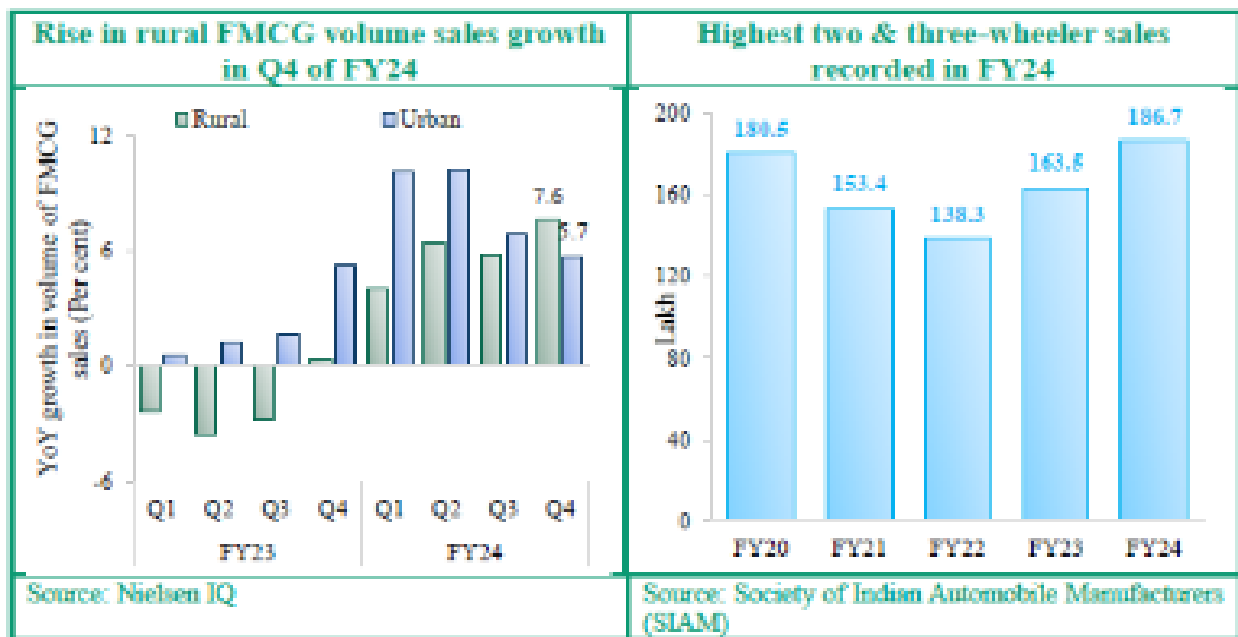


- The CMIE data on new investment announcements serves as an indicator for corporate capex plans. These figures represent intentions, which may or may not materialise, but they do mirror the sentiments and expectations of the companies. The overall scenario is promising, with a significant improvement compared to the pre-COVID era, despite the intentions being lower than the previous year. In FY24, the private sector announced new investment projects worth ₹23.5 lakh crore, much higher than the past five years' average of ₹14.4 lakh crore. Despite new investment projects announced by the private sector being lower in FY24 compared to the previous year, the investment projects completed by the private sector witnessed a significant uptick to ₹3.1 lakh crore in FY24 from ₹2.7 lakh crore in FY23.

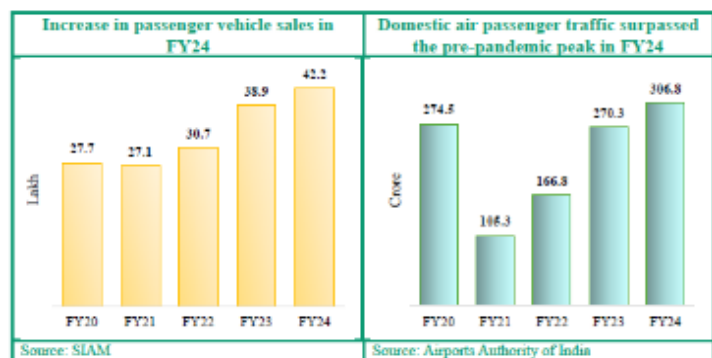


- The upbeat investment environment is accompanied by increased capacity utilisation in the manufacturing sector, as seen in the RBI's quarterly Order Books, Inventory and Capacity Utilisation Survey (OBICUS) for Q3 of FY24. The aggregate capacity utilisation in the manufacturing sector picked up significantly from 74 per cent in Q2 to 74.7 per cent in Q3 of FY24. Manufacturing companies received a larger number of orders during this quarter as compared to the corresponding quarter of the previous year.

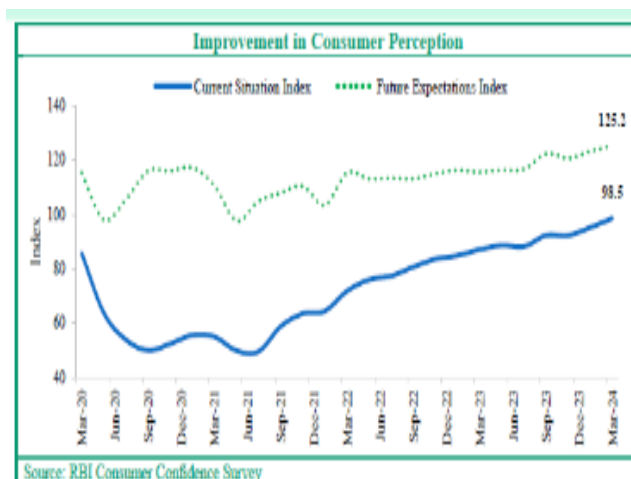
Stronger Rural and Urban Demand Conditions



6. While investment activity remains expansive, consumption is being propelled by consistent growth in urban demand and a resurgence in rural demand, thereby contributing to India's growth in FY24. As per the data published by Nielsen IQ, the volume sales of fast-moving consumer goods (FMCG) in rural markets saw a rise of 7.6 per cent in the Q4 of FY24 on a yoy basis. For the first time in five quarters, rural FMCG demand growth outpaced urban growth.
7. Other indicators of rural demand also demonstrate a robust growth in consumption activity in FY24. Two and three-wheeler sales increased by 14.2 per cent in FY24, at 186.7 lakh compared to 163.5 lakh in FY23, due to enhanced model availability, new product introduction and positive market sentiments. Carrying the momentum in FY25, two-wheeler sales registered a remarkable growth of 30.8 per cent in April 2024 on a yearly basis.
8. The resilience of urban demand is evident in the robust growth of housing personal loans, which increased by 36.9 per cent in FY24. Sales of passenger vehicles saw a rise of 8.4 per cent in FY24, spurred by the launch of cost-effective compressed natural gas fuel options and new electric models, coupled with positive market sentiment and the provision of high-quality after-sales service.
9. The robust consumption demand in urban areas is also reflected in rising domestic air passenger traffic. In FY24, domestic air passenger traffic surpassed the pre-pandemic peak, driven by a growing demand for air travel. The momentum in urban demand persisted in FY25, buoyed by positive consumer sentiment and festive celebrations.

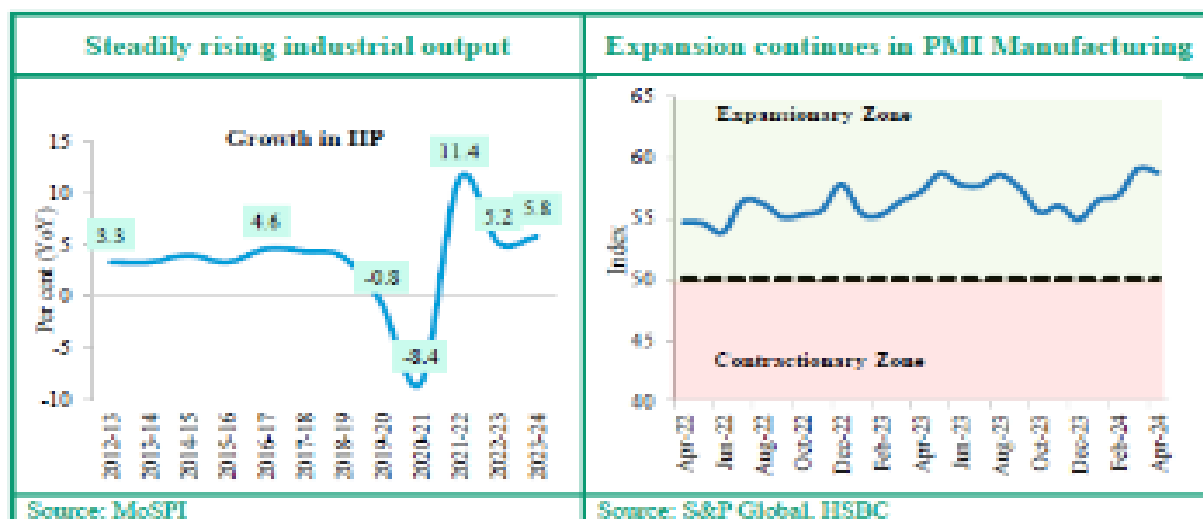


10. According to the RBI's consumer confidence survey for April 2024, the Current Situation Index (CSI) rose by 3.4 points to 98.5 in March 2024, the highest level since mid-2019. Consumers are quite optimistic about the general economic situation, income and spending. Consumer confidence for the year ahead improved further on the back of optimism in almost all parameters, such as economic situation, employment, income and spending. The Future Expectations Index (FEI) also rose further by 2.1 points to 125.2, also its highest level since mid-2019.



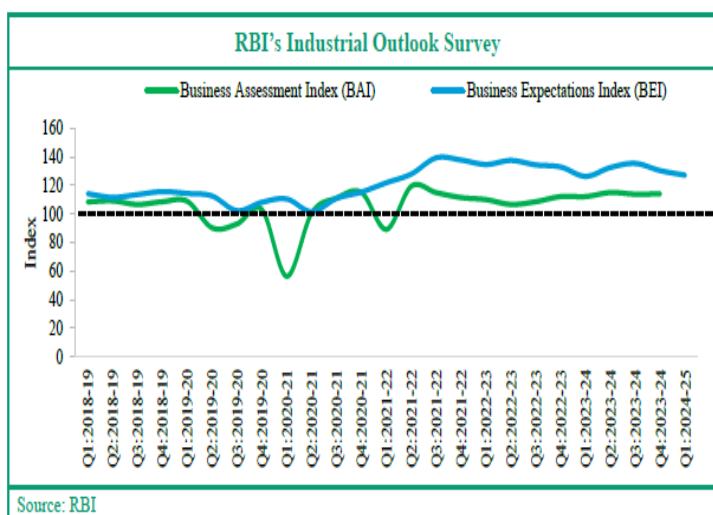
Robust Growth in Industrial Activity in FY24

11. Industrial output continues to expand in March 2024, with the Index of Industrial Production (IIP) increasing by 4.9 per cent in March 2024. IIP grew by 5.8 per cent in the fiscal year FY24. It is important to note that IIP is a volume index, and its growth cannot be readily compared with that of value indices (either at current prices or at constant prices)
12. The acceleration in 2023-24 was bolstered by healthy growth in infrastructure, intermediate and consumer goods sectors. The emphasis on capex push by the government has led to robust performance of the infrastructure goods sector, exhibiting a growth of 9.7 per cent in FY24, higher than 8.4 per cent in FY23.



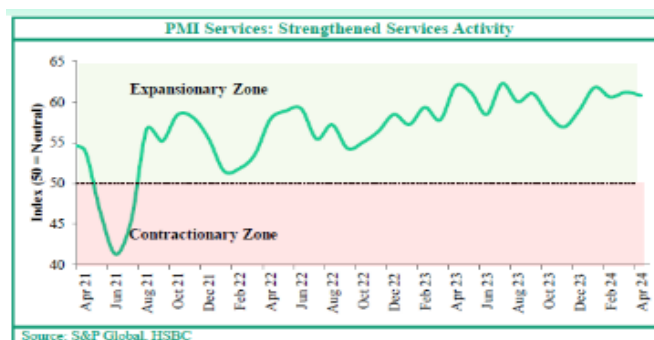
13. Manufacturing sector output expanded to a five-month high of 5.2 per cent in March 2024, lifting the overall growth performance for this segment in the 2023-24 to 5.5 per cent. Basic metals, motor vehicles, trailers and semi-trailers and coke and refined petroleum products were the major catalysts to overall growth.
14. The manufacturing activity maintained its growth trajectory from the previous year, with the Manufacturing PMI for April remaining in the expansionary zone, supported by strong demand conditions, which resulted in a further expansion of output. Improvements in delivery times from suppliers contributed to the increased purchasing activity. Furthermore, a positive outlook for the year ahead prompted firms to expand their workforce.

15. Business sentiments remain upbeat as per the RBI's 105th round of the Industrial Outlook Survey (IOS). Manufacturers continue to be optimistic about demand conditions in Q1 of FY25, with well over half of the respondents reporting a rise in production, order books and overall business situation. With the manufacturing sector capacity utilisation is rising above the long-term average, the increase in new investment announcements by the private sector remains positive for growth.



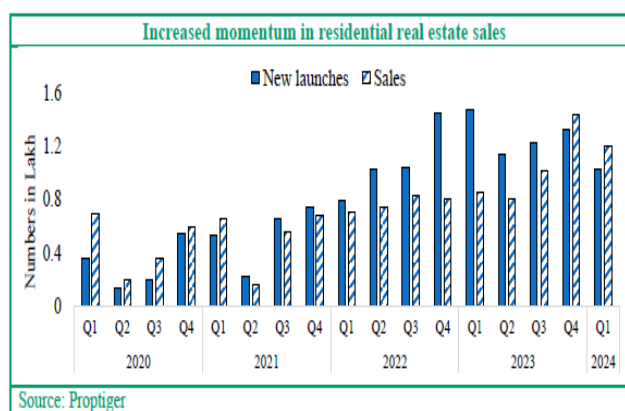
Healthy Expansion of the Service Sector

16. Just like the industrial activity, the growth in service sectors remains robust in April 2024, as gauged by HSBC's Services PMI. The business activity index has stayed in the expansionary zone for 33 consecutive months in a row, maintaining a resilient value of 60.8 in April 2024. The surge was sustained by buoyant domestic demand and growth of new business and output. In addition to the robust domestic demand, companies reported growth in emerging international markets. The year-ahead outlook for business activity has improved, fuelled by enhanced marketing initiatives, gains in efficiency, competitive pricing strategies, and optimistic predictions regarding sustained favourable demand conditions.
17. The hospitality industry demonstrated robust growth in FY24, driven by a rise in domestic leisure travel and an increased demand for meetings, incentives, conferences, and exhibitions, as well as weddings and business travel. There was an improvement in the hotel occupancy rate, which increased from 68-70 per cent in FY23 to 70-72 per cent in FY24.



Performance of Real estate

18. Real estate sector has seen a significant rebound after the Covid pandemic led lockdowns. The residential property market in India demonstrated a promising trend in 2023, with both demand and new supply experiencing double-digit growth. The momentum continued in Q1 of 2024, witnessing record-breaking sales, clocking a robust 41 per cent yoy growth compared to the same period in the previous year. Further, as mentioned in paragraph 8, the increasing demand for real estate is reiterated by the rise in housing loans.



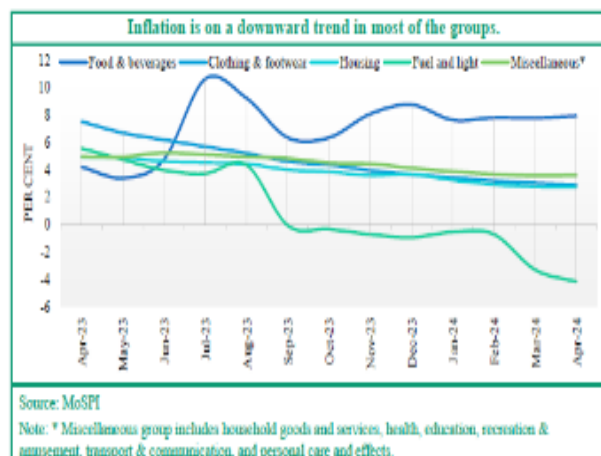
19. Pandemic-induced trends such as remote and hybrid working are expected to have induced homebuyers to venture into larger, sustainable spaces with value-added services and amenities. Factors such as rapid urbanisation, growing emergence of nuclear families, new real estate developers entering the sector, and



improved availability of financial options for developers, as well as homebuyers, have contributed to the growth of the real estate sector.

Lowest Rate of Retail Inflation in Last 11 Months

20. Retail inflation based on consumer price index (CPI) decreased from 4.85 per cent in March 2024 to 4.83 per cent in April 2024, marking it as the lowest rate in the past 11 months. The modest reduction in retail inflation in April 2024 was primarily due to a drop in core inflation (which excludes food, fuel and light), which reached a record low of 3.2 per cent, the lowest since January 2014. The decline in core inflation in April was largely due to reduced inflation rates in various items including clothing, footwear, housing, household goods and services, health, education, recreation, amusement, transport and communication.



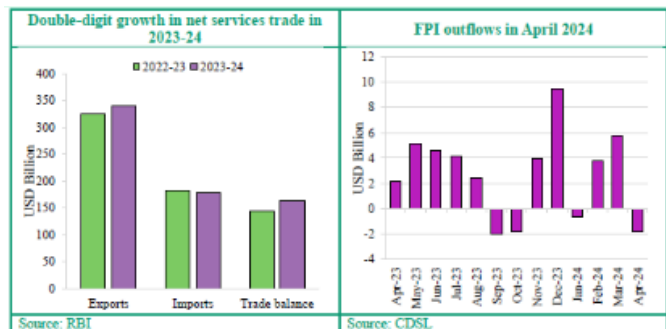
21. For the eighth month in a row, prices in the fuel and light group remained in the deflationary zone. On March 9, 2024, the government reduced the price of non-subsidised LPG by Rs.100 per 14.2 kg cylinder. This price cut had a ripple effect in April too.
22. Price dynamics in essential food commodities over the past two months reveal that the moderation in prices has been broad-based in March and April 2024 except for seasonal uptick in some vegetables and persistent pressure in certain pulses. Among cereals, wheat price is expected to cool down by the current wheat procurement. Edible oils prices continued to remain in a deflationary zone. Most of the remaining essential commodities witnessed the softening of price pressures assisted by the slew of administrative measures taken by the government. The inflation trend for milk continued its decline over the past year. Sugar inflation saw a notable drop compared to the trends observed in the previous four months.
23. Further, the sowing of summer crops is progressing favourably. As of 10 May 2024, the area sown under the summer crops expanded by 8.9 per cent compared to the corresponding period last year. Crops like rice, Shree anna coarse cereals, pulses and oilseeds contributed to the increased acreage. This would translate into augmented production.
24. Going forward, the inflation trajectory will be influenced by several factors. Government initiatives, including the open market sales, monitoring of stocks, import of pulses, and export restrictions, are expected to help stabilize food prices. The forecast of normal rainfall for the Southwest Monsoon 2024 bodes well for food production and could alleviate price pressure on food items. Ongoing geopolitical tensions could potentially drive-up international commodity prices and disrupt supply chains.

Optimistic Outlook for Merchandise Exports as External Sector Remains Stable

25. India's merchandise exports in FY25 began on a positive note, recording a growth of 1.08 per cent yoy in April 2024. This comes amid marginally improved economic activity and consumer sentiment in Europe and a steady US economy. The main drivers of export growth were electronic goods, organic and inorganic chemicals, petroleum products and pharmaceuticals, which increased by 25.8 per cent, 16.8 per cent, 3.1 per cent and 7.4 per cent, respectively. Imports increased by 10.3 per cent yoy. This led to an increase in the merchandise trade deficit by 32.3 per cent yoy in April 2024.

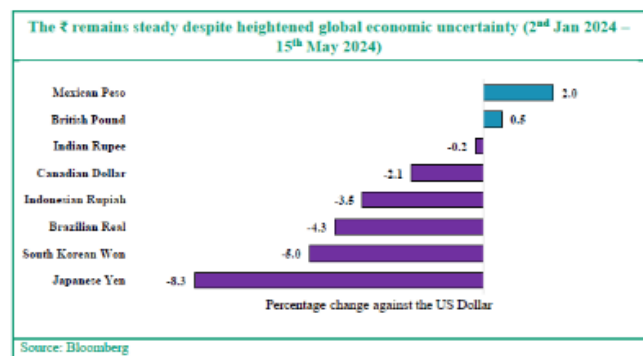
26. RBI monthly data indicates India's services exports ended in FY24 by recording a growth of 4.8 per cent. Although the growth has moderated compared to the previous year, a decline in services imports led to a 13.6 per cent increase in net services trade. Preliminary estimates by the Ministry of Commerce and Industry indicate that the momentum in services exports has been carried forward into FY25 with a growth of 14.7 per cent in April 2024.

27. Gross Foreign Direct Investment (FDI) inflows in FY24 stood at USD 71.0 billion, compared to USD 71.4 billion in FY23. The 2024 Kearny FDI Confidence Index ranked India 4th in the EME category, underscoring its attractiveness as an FDI destination despite moderation and volatility in global capital flows.



28. After ending FY24 on a strong note, India witnessed a net outflow of foreign portfolio investments of USD 1.8 billion in April 2024. This is attributed to profit-booking by market participants amidst higher market valuations and uncertainty in global markets regarding interest rate cuts by major central banks.

29. Despite volatile FPI flows, the rupee continues to remain one of the most stable major currencies. Between 2nd January 2024 and 15th May 2024, the rupee depreciated by 0.2 per cent against the US Dollar. Between 1st April 2024 and 15th May 2024, the rupee depreciated marginally by 0.11 per cent. A stable rupee has also aided the RBI build significant forex reserves, which, as of 10 May 2024, stood at USD 644.2 billion.



Conclusion

The crux of the foregoing discussion is that the industrial and service sectors of the Indian economy are performing well, backed by brisk domestic demand and partially by tentative external demand. Domestic manufacturing will likely receive stronger external support in the upcoming months. Modestly improved economic activity and consumer sentiment in Europe and a steady US economy have aided India's exports in April. There are reports that show that the number of organisations in the US and Europe that are focusing on reindustrialisation has increased. The majority of these organisations are focussing on enhancing supply chain resilience. This can benefit India's manufacturing firms as part of the China Plus One strategy. The EXIM Bank of India has forecasted that merchandise exports will post a double-digit growth in Q1 of FY25.

Factors like the ongoing recovery in the hotel and tourism industry, increased credit flow to transport and real estate segments, policy support and robust investments in physical and digital infrastructure and logistics will help the services sector. The strong export growth in April 2024 indicates that the momentum in services trade has been carried forward into FY25.

The future inflation path will be shaped by several elements. Government initiatives to stabilise the prices of essential food items, including their open market sale, stock monitoring and trade policy measures are helping to stabilize food prices. The harvest for the Rabi Marketing Season for 2024-25 is expected to temper the prices of key items like wheat and chana. The prediction of a normal Southwest Monsoon also augers well for food production and easing of price pressures. With the assumption of normal monsoon, the RBI forecasts a 4.9 per cent retail inflation for FY25's first quarter. The positive indications in the farm sector should help India firewall against any adverse pressures that may arise from geopolitical tensions



and global commodity prices. Likewise, the strong macro-economic buffers of India should help the real sectors of the economy navigate the external headwinds smoothly and continue the growth momentum of the previous year.

(Source: <https://dea.gov.in/sites/default/files/Monthly%20Economic%20Review%20-April%202024.pdf>)

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GLOBAL POLYESTER FIBER INDUSTRY

Polyester Staple Fiber Market

- The global industry was valued at US\$ 31.8 Bn in 2023
- It is expected to grow at a CAGR of 4.7% from 2024 to 2034 and reach US\$ 52.4 Bn by the end of 2034

Analyst Viewpoint

Expansion in home furnishings sector is fueling the polyester staple fiber market value. Polyester staple fiber finds applications in bedding, curtains, carpets, dresses, pants, shirts, and activewear due to its durability, ease of care, and resistance against wrinkles.

Increase in production of textiles is augmenting the polyester staple fiber market demand. Polyester fiber is the most widely used chemical fiber in the textile sector.

Players operating in the polyester staple fiber industry landscape are investing in recycling to help reduce plastic pollution. They are also launching advanced production processes that offer savings in energy, water, and raw material consumption.

Market Introduction

Polyester Staple Fiber (PSF) is a synthetic man-made fiber that is created through the polymerization of polyester materials such as Mono Ethylene Glycol (MEG) and Purified Terephthalic Acid (PTA) under high pressure and temperature. The polymer, post-spinning and drawing, forms staple fiber and is cut into specific lengths.

The man-made fiber sector is flourishing on account of properties such as low absorbency, higher resistance against abrasion, wrinkles, and heat, and quick drying after washing of polyester staple fiber. The end-use applications include automotive, interior decoration, and textiles.

One of the latest polyester staple fiber market trends is the use of blends of polyester and cotton with the addition of a minuscule percentage of elastane to achieve the stretch desired in garments. However, limited breathability of polyester staple fiber does not render it an ideal choice for undergarments or summer clothing.

Polyester clothing, if worn during physical activities, may result in individuals feeling sweaty and overheated as it acts as a barrier in the body's natural cooling mechanisms (evaporation, in particular).

Attribute	Detail
Market Drivers	<ul style="list-style-type: none">• Expansion in Home Furnishings Sector• Increase in Production of Textiles



Expansion in Home Furnishings Sector Fueling Polyester Staple Fiber Market Size

Advantages of polyester staple fiber include resilience, low shrinkage, cost-effectiveness, and being hypoallergenic. They render it ideal for modern homes in stuffing, bedding, wadding, and many other applications pertaining to home furnishings.

Polyester staple fabric undergoes pre-shrinking during drawing as well as crimping manufacturing processes, which makes it resistant to further shrinkage. The number of draws is inversely proportional to shrinkage in the final fabrics. A higher number of crimps ascertains good bulkiness and elasticity.

Innovations in polyester staple fiber technology facilitate trilobed, oval, triangular, and multilobed shapes apart from the conventional round cross-section. One can choose from these cross-sections to have the desired hand feel and luster. Thus, growth in home furnishings sector is driving the polyester staple fiber market development.

Increase in Production of Textiles Boosting Market Progress

Polyester staple fiber is used to manufacture apparel inclusive of intimate wear, activewear, sportswear, sewing threads, suits, gloves, lingerie, socks, and shirts.

Polyester staple fiber, in spinning production, can be individually manufactured for 100% polyester spun yarn or used in combination with viscose, cotton, or wool for blended yarn such as CVC 70/30 in which 30% comprises polyester staple fiber and 70% cotton.

Polyester staple fiber is looked upon as the major alternative to cotton fiber for the textile sector due to its superiority in terms of thinness, water absorption, abrasion resistance, cost, and multiple colors and designs.

Polyester staple fiber blends with low melt fiber form thermally-bonded sheets for insulation. The insulation property makes it suitable for comforters, quilts, and mattresses.

According to the India Brand Equity Foundation (IBEF), 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 tons in 2027. Hence, rise in production of textiles is contributing to the polyester staple fiber market growth.

Regional Outlook

As per the latest polyester staple fiber market analysis, Asia Pacific held the largest share in 2023. The region is expected to continue with its dominance even during the forecast period. Increase in production of textiles is fueling the polyester staple fiber industry share in Asia Pacific.

China, South Korea, and India are major markets for textile fibers in Asia Pacific. In 2022-23, the production of fiber in India stood at 2.15 million tons, according to the IBEF.

Overall Polyester Filament Yarn (PFY) demand was projected to witness 15-20% growth in fiscal 2022, according to Invest India. Moreover, overall Polyester Staple Fiber (PSF) demand is projected to witness a growth of 14-19%.

Source: <https://www.transparencymarketresearch.com/polyester-staple-fiber.html>

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Indian Polyester Fibre Industry

Market Overview

India Polyester Staple Fibre Market has reached USD1.54 billion by 2023 and is anticipated to project robust growth in the forecast period with a CAGR of 4.25% through 2029. Polyester Staple Fibre (PSF) is extensively used in spinning and other textile applications due to its durability, cost-effectiveness, and versatility. In the Indian PSF market, there are two main categories: solid and hollow products. Solid PSF is widely popular in traditional textile manufacturing, known for its strength and resilience. On the other hand, hollow PSF is gaining traction for its unique properties such as lightweightness and excellent insulation.

However, the widespread use of synthetic fibers like polyester has raised environmental concerns. These fibers are non-biodegradable, posing a significant threat to our ecosystems. To address this issue, the industry must focus on innovation and invest in recycling technologies to ensure the sustainability of PSF production. By adopting these recycling methods, we can minimize the environmental impact and promote a circular economy.

Looking ahead, the future of the Indian PSF market appears promising. The market is expected to witness substantial growth due to rising consumer demand and advancements in manufacturing technologies. Additionally, the growing emphasis on sustainable fashion and the development of recycled PSF present exciting new avenues for growth and expansion. As the industry continues to evolve, it is crucial to prioritize sustainability and explore eco-friendly alternatives to meet the demands of both consumers and the environment.

Key Market Drivers

Growing Demand of Polyester Staple Fibre in Automotive Industry

In recent years, the automotive industry has witnessed a significant surge in the demand for polyester staple fibre (PSF). This surge can be attributed to several factors, including the material's exceptional resilience, its lightweight properties, and its cost-effectiveness. These qualities make PSF an ideal choice for a wide range of automotive components, such as car interiors, seat covers, airbags, and even tyre cords.

The use of PSF in the automotive industry has proven to be highly advantageous. Its high resilience ensures that automotive components can withstand the rigors of daily use, providing long-lasting durability. Additionally, its lightweight nature contributes to improved fuel efficiency, a crucial consideration in today's environmentally conscious world. Furthermore, the cost-effectiveness of PSF makes it an attractive option for manufacturers, allowing for competitive pricing without compromising on quality.

The growing demand for PSF in the automotive industry has had a notable impact on India's PSF market. As the automotive industry continues to innovate and evolve, the need for durable and cost-effective materials like PSF is expected to rise even further. This trend offers a promising future for India's PSF market, with ample opportunities for growth and development.

In conclusion, the increasing demand for polyester staple fibre in the automotive industry serves as a significant driver for India's PSF market. With its remarkable properties and versatility, PSF has become an indispensable material for various automotive applications. As the industry evolves and explores new possibilities, the demand for PSF is projected to continue its upward trajectory, contributing to the thriving future of India's PSF market.

Growing Demand of Polyester Staple Fibre in Construction Industry

Polyester Staple Fibre (PSF), a synthetic fibre primarily derived from PET or PTA and MEG, has become increasingly popular in the construction industry due to its remarkable properties. With its high tensile strength,



resilience, and cost-effectiveness, PSF is an ideal choice for a wide range of applications including insulation, geotextiles, roofing materials, and concrete reinforcement. Its versatility and durability make it a go-to material for construction projects of all sizes and types

The surge in demand for PSF in the construction industry can be attributed to the growing emphasis on sustainability. As the industry strives to adopt more environmentally friendly practices, PSF emerges as a viable option. Not only is it recyclable, but it also helps to reduce the carbon footprint, making it a preferred choice in line with the global shift towards sustainable construction practices. By incorporating PSF into their projects, builders and developers can contribute to a more eco-friendly and greener future.

In summary, the increasing demand for Polyester Staple Fibre in the construction industry is a major driving force behind the growth of India's PSF market. As the construction industry continues to evolve and adopt more sustainable practices, the demand for eco-friendly and cost-effective materials like PSF will only continue to rise. This provides a promising outlook for India's PSF market, as it aligns with the global trend of prioritizing sustainable construction materials and practices.

Key Market Challenges

Volatility in Price of Raw Materials

Polyester Staple Fibre (PSF) is a versatile material derived primarily from raw materials such as Purified Terephthalic Acid (PTA) and Monoethylene Glycol (MEG). The prices of these commodities have experienced significant fluctuations, introducing a level of instability in the PSF market.

The market's uncertainties are further compounded by the volatility of upstream MEG, which is anticipated to contribute to increased price fluctuations in the upcoming quarters. This unpredictability not only affects production costs but also poses challenges for manufacturers in accurately forecasting their operational expenses. Consequently, such unpredictability can potentially impede the market's growth in the years to come.

Additionally, the PSF market faces additional challenges in the form of alternative fibres like nylon. Unlike PSF, these alternative fibres are less affected by price volatility. This disparity in price stability could potentially lead to a shift in consumer preference, thereby impacting the market for PSF.

To summarize, while the Indian Polyester Staple Fibre market exhibits significant potential, the volatility in raw material prices remains a prominent challenge. In order to ensure sustainability and foster growth, it is crucial for stakeholders within the industry to devise effective strategies that mitigate the adverse impact of this volatility and navigate through these uncertain market conditions. By doing so, they can position themselves for success and capitalize on the market's opportunities.

Key Market Trends

Increasing Use of Polyester Staple Fibre in Non-Woven Applications

Polyester Staple Fibre (PSF), derived from raw materials like Purified Terephthalic Acid (PTA) and Monoethylene Glycol (MEG), has been gaining immense popularity in the non-woven industry. This is primarily due to its outstanding mechanical properties and high resistance to chemicals, making it a preferred choice among manufacturers. Non-woven fabrics, which are made from PSF, are increasingly being utilized across various industries including hygiene, healthcare, automotive, and construction.

The advantages offered by non-woven fabrics are numerous. They are known for their exceptional durability, versatility, and cost-effectiveness, making them an ideal solution for these sectors. Moreover, the rising demand for disposable products and the growing awareness of hygiene have further propelled the growth of non-woven applications, consequently increasing the demand for polyester fibers.

The widespread application of polyester staple fibre in the garments and textile industry, particularly in the production of spun yarn, continues to drive the overall market growth. However, the emergence of non-woven applications has opened up new avenues for the sector to diversify and expand its reach.

In conclusion, the increasing adoption of Polyester Staple Fibre in non-woven applications is a significant trend observed in India's PSF market. As non-woven applications continue to gain popularity and become more prevalent, this trend is expected to persist, further accelerating the growth of the PSF market in India.

Segmental Insights

Product Insights

Based on the category of product, the solid segment emerged as the dominant player in the Indian market for Polyester Staple Fibre in 2023. Solid Polyester Staple Fibre (PSF) finds ubiquitous use across a wide array of industries, including automotive, textiles, and furniture. Its versatility is one of the key reasons why it dominates the market. Solid PSF is used in various applications ranging from apparel manufacturing to home furnishings due to its high resilience, excellent bulkiness, good insulation properties, and easy blendability with other fibres.

In the automotive industry, solid PSF is utilized in the production of car seats, carpets, and interior fabrics, providing durability and comfort to passengers. In the textile industry, it is commonly used to create garments, upholstery, and bedding, offering a soft and luxurious feel. Additionally, in the furniture industry, solid PSF is employed to make cushions, pillows, and mattresses, ensuring optimal support and longevity.

Moreover, solid PSF is not only versatile but also cost-effective, further enhancing its appeal. The production process for solid PSF is relatively straightforward and less expensive compared to other types of fibres. This cost-effectiveness translates into lower prices for the end consumer, making solid PSF a preferred choice for many manufacturers.

Overall, the exceptional attributes and wide-ranging applications of solid PSF make it an indispensable material in various industries, catering to the needs of both manufacturers and consumers alike.

Application Insights

The apparel segment is projected to experience rapid growth during the forecast period.

Polyester Staple Fibre (PSF) is widely recognized for its versatile properties, making it a sought-after material in the apparel industry. With its high resilience, excellent bulkiness, and superior insulation properties, PSF provides unmatched comfort and durability to clothing items. These exceptional characteristics not only enhance the overall quality of the garments but also contribute to their longevity.

In addition to its inherent attributes, the growing demand for PSF in the apparel segment can also be attributed to changing consumer preferences. As consumers become more conscious of the environmental impact of their choices, there is an increasing awareness and appreciation for synthetic fibers like polyester. These fibers offer numerous benefits, including moisture-wicking properties, resistance to wrinkles, and ease of care. As a result, more and more consumers are opting for polyester-based clothing, further fueling the demand for PSF in the market.

Another factor driving the dominance of the apparel segment in the PSF industry is the rise of fast fashion. Fast fashion refers to the rapid production and consumption of trendy clothing items, catering to the ever-changing fashion preferences of consumers. With its affordability, versatility, and ability to replicate various textures and finishes, PSF has become a preferred choice for fast fashion brands. The demand for PSF in this segment has witnessed significant growth, as it enables the production of cost-effective and trendy clothing at a quicker pace.



By combining its versatile properties, changing consumer preferences, and the influence of fast fashion, the demand for PSF in the apparel manufacturing sector continues to thrive, making it an integral part of the global textile market.

Regional Insights

West India emerged as the dominant player in the India Polyester Staple Fibre Market in 2023, holding the largest market share in terms of value. In West India, particularly in states like Maharashtra and Gujarat, there exists a thriving and robust textile industry. This industry stands as one of the largest consumers of PSF (polyester staple fibre) in the country. The region boasts some of the biggest textile mills, which not only contribute significantly to the demand for PSF but also play a vital role in shaping the overall textile and apparel sector.

The strategic geographical location of West India also adds to its dominance in the PSF market. Situated along the western coastline, this region enjoys the advantage of easy importation of raw materials and seamless exportation of finished goods. This accessibility gives a competitive edge to manufacturers based in this area, propelling their growth and success in the industry.

With its well-established textile industry, thriving apparel sector, and strategic location, West India continues to be a major player in the demand for polyester staple fibre.

(Source: <https://www.techsciresearch.com/report/india-polyester-staple-fibre-market/3187.html>)

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RECYCLED PELLETS INDUSTRY

Plastic Pellets Market was valued at US\$ 8.04 Bn. in 2023 and is expected to reach US\$ 11.47 Bn. by 2030, at a CAGR of 5.20% during the forecast period. The plastic pellets market has witnessed significant growth in recent years, driven by the increasing demand for plastic products across various industries. Plastic pellets, also known as plastic resins or granules, are small, solid particles used as raw materials in the production of plastic products. They are typically made from different types of polymers such as polyethylene (PE), polypropylene (PP), polyvinyl chloride (PVC), and polystyrene (PS).

Plastic pellets are the fundamental building blocks of the plastic manufacturing industry. These small, cylindrical or spherical particles serve as the starting point for the production of a wide range of plastic products, including packaging materials, automotive components, consumer goods, construction materials, and more. The pellets are melted and molded into various shapes to create the final plastic products.

The plastic pellets market is poised for steady growth in the coming years, driven by factors such as the increasing demand for plastic products, technological advancements in plastic manufacturing processes, and the growing awareness of environmental sustainability. The market is characterized by intense competition among key players, who are focusing on innovation, strategic partnerships, and expansion to gain a competitive edge.

Market Drivers

1. **Growing End-Use Industries:** The expansion of industries such as packaging, automotive, electronics, and construction is driving the demand for plastic pellets.
2. **Lightweight and Cost-Effective:** Plastic pellets offer advantages such as lightweight, durability, and cost-effectiveness compared to other materials, making them highly desirable for manufacturers.
3. **Versatility and Customization:** Plastic pellets can be easily molded into various shapes and sizes, allowing manufacturers to customize products according to specific requirements.
4. **Technological Advancements:** Advancements in plastic manufacturing processes, including innovative additives and recycling techniques, are fueling market growth.

Market Restraints

1. **Environmental Concerns:** The plastic pellets industry is facing increasing criticism due to environmental concerns surrounding plastic waste and pollution, leading to regulatory pressures and a shift towards sustainable alternatives.
2. **Volatility in Raw Material Prices:** Fluctuations in the prices of crude oil and natural gas, which are key raw materials for plastic production, can impact the cost of plastic pellets and pose a challenge to market players.
3. **Recycling Challenges:** The recycling of plastic pellets poses challenges due to the presence of different polymer types and the need for efficient sorting and processing techniques.
4. **Competitive Landscape:** The market is highly competitive, with numerous players vying for market share, leading to price wars and margin pressures.

Market Opportunities

1. **Sustainable Alternatives:** The growing demand for sustainable products and packaging solutions presents opportunities for the development and adoption of bio-based plastics and recycled plastic pellets.
2. **Emerging Markets:** Rapid industrialization and urbanization in emerging economies offer significant growth opportunities for the plastic pellets market, as these regions experience increased demand for plastic products.
3. **Technological Innovations:** Continuous research and development efforts to enhance plastic properties, improve recycling processes, and develop innovative additives open avenues for market growth and differentiation.
4. **Circular Economy Initiatives:** The shift towards a circular economy, which focuses on reducing waste and promoting recycling, presents opportunities for the plastic pellets market to collaborate with stakeholders and participate in closed-loop recycling systems.

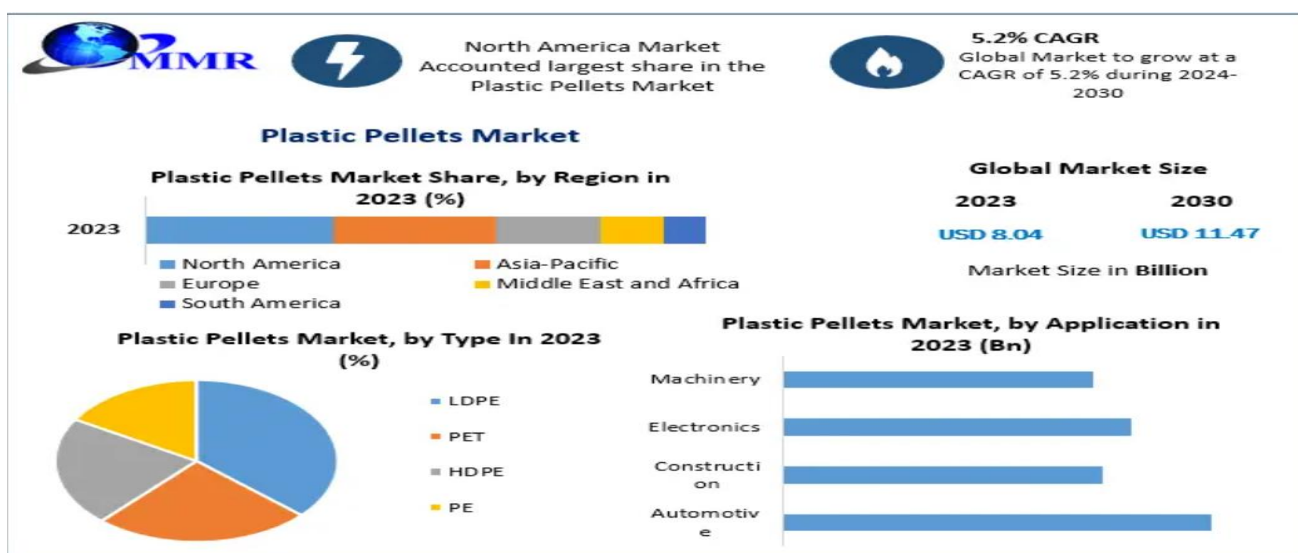


Regional Analysis

1. **North America:** The North American market for plastic pellets is driven by the demand from industries such as packaging, automotive, and electronics. The region has strict regulations regarding plastic waste management and is witnessing increased adoption of sustainable alternatives.
2. **Europe:** Europe is at the forefront of environmental sustainability initiatives, leading to a significant demand for recycled plastic pellets and bio-based plastics. The region is also investing in advanced recycling technologies.
3. **Asia Pacific:** The Asia Pacific region is experiencing rapid industrialization and urbanization, resulting in increased demand for plastic products. Countries like China and India are major contributors to the growth of the plastic pellets market in this region.
4. **Latin America:** Latin America is witnessing strong growth in the construction and packaging sectors, driving the demand for plastic pellets. The region is also adopting sustainable practices and investing in recycling infrastructure.

Plastic Pellets Market Segment Analysis

Global market is segmented by type, by application and by region. In terms of type, the global market is segmented into LDPE, PET, HDPE, PE, PVC, PP and others. Automotive, construction, electronics, machinery, packaging and others are application segments of the global market. Geographically, global market into North America, Europe, Asia Pacific, Middle East & Africa and Latin America.



SWOT ANALYSIS

STRENGTHS <ul style="list-style-type: none">a) Wide range of applications and end-use industries.b) Technological advancements in plastic manufacturing processes.c) Customization options and versatility of plastic pellets.	WEAKNESSES <ul style="list-style-type: none">a) Environmental concerns and regulatory pressures.b) Volatility in raw material prices.c) Recycling challenges and sorting complexities.
OPPORTUNITIES <ul style="list-style-type: none">a) Development and adoption of sustainable alternatives.b) Growth in emerging markets.c) Technological innovations and additive advancements	THREATS <ul style="list-style-type: none">a) Intense competition and price wars.b) Shift towards alternative materials.c) Changing consumer preferences towards eco-friendly products

Market Key Trends

- **Growing Demand for Recycled Plastic Pellets:** The increasing emphasis on environmental sustainability has led to a rising demand for recycled plastic pellets, driving the growth of this segment in the market.
- **Bio-based Plastics as an Alternative:** Bio-based plastics, derived from renewable sources, are gaining traction as a sustainable alternative to traditional plastics, offering opportunities for market players to expand their product offerings.
- **Technological Innovations in Additives:** Ongoing research and development efforts are focused on developing advanced additives that enhance the properties of plastic pellets, such as improved strength, heat resistance, and biodegradability.
- **Integration of IoT and Automation:** The integration of Internet of Things (IoT) technology and automation in plastic manufacturing processes enables better quality control, optimization of production efficiency, and reduction in wastage.

Covid-19 Impact

The Covid-19 pandemic had a mixed impact on the plastic pellets market. While the initial phase of the pandemic led to disruptions in the supply chain and decreased demand due to lockdowns and restrictions, the subsequent increase in e-commerce activities, packaging requirements, and demand for healthcare products created opportunities for market recovery.

Key Industry Developments

- **Collaboration for Recycling Initiatives:** Several industry players have collaborated with recycling companies and government bodies to invest in recycling infrastructure, develop efficient recycling techniques, and promote the use of recycled plastic pellets.
- **Expansion into Emerging Markets:** Key market players are expanding their presence in emerging markets such as Asia Pacific and Latin America, capitalizing on the growing demand for plastic products and the increasing industrialization in these regions.
- **Research and Development Investments:** Market participants are investing in research and development activities to develop sustainable alternatives, improve plastic properties, and enhance recycling technologies.

Source: <https://www.maximizemarketresearch.com/market-report/global-plastic-pellets-market/16572/> and <https://markwideresearch.com/plastic-pellets-market/>

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OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 24 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 173, 202 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

OVERVIEW

Our Company was originally incorporated as private limited Company under the name and style “Divyadhan Consultants Private Limited” in the year 2010. In year 2013, the existing promoters of the company acquired the company from its original promoters. Thereafter, in financial year 2015-2016, our Company acquired a manufacturing facility based in Baddi, Himachal Pradesh, as a distressed asset under the provisions of SARFAESI Act, 2002 from Axis Bank Limited. Further in year, 2023 the name of the company was changed from Divyadhan Consultants Private Limited to Divyadhan Recycling Industries Private Limited, pursuant to which the ROC, Mumbai has issued a Certificate of Incorporation dated November 10, 2023. Subsequently, our company was converted into public company namely, Divyadhan Recycling Industries Limited, pursuant to shareholders’ resolution dated December 13, 2023 vide new Certificate of Incorporation dated March 02, 2024. As on the date of this Prospectus the Corporate Identification Number of our company is U39000MH2010PLC202686.

BUSINESS OVERVIEW

Our company is into the business of manufacturing of *Recycled Polyester Staple Fibre (R-PSF)* and *Recycled Pellets*. The recycled fibre and pellets are produced from post-consumer PET bottles also known as Polyethylene Terephthalate bottles. Our company started its operations in the financial year 2018-19, by manufacturing *Recycled Polyester Staple Fibre (R-PSF)* at their manufacturing facility based in Baddi, Himachal Pradesh with a capacity of 8030 Metric tons per annum. Further, in November 2023, Our Company also started manufacturing of *Recycled Pellets*. However, our company is in the trial stage of manufacturing the recycled pellets.

The promoters of our company acquired the company from initial promoters (subscribers to the memorandum of association) in the year 2013-14, since then till FY 2015 – 2016, the company was looking for better opportunities to acquire land and building, plant and machinery to start its manufacturing facility. In the year 2015 – 16, the company came across and acquired a distressed asset from the Axis Bank under SARFESI Act, 2002 and it took almost 2 years to get all the necessary approvals and sanctions from many departments in such as pollution board, electricity department, fire and water department to get the manufacturing facility operational and commence its production. In the year, 2018-19 the company finally started its operations.

We produce *Hollow and Solid Recycled Polyester Staple Fibre*, which gives good resilience properties and is used to make premium pillows, cushions and quilts. The recycled fibre is supplied to various industries such as Packaging, home furnishing and Textiles. Its hollow structure adds to its insulating properties, making it suitable for use in a wide range of products including clothing, home furnishings, automotive components, non-woven fabrics, and insulation materials. The recycled pellets are used to manufacture food grade and non-food grade bottles. FSSAI has issued latest instructions dated June 15, 2022, for acceptance criteria for recycled PET for food packaging. Further, we are currently catering to non-food industries requiring recycled bottles for their packaging.



Our Company is also involved in the producing of *Recycled Pellets*, which has various applications across various industries like automotive, packaging, fiber etc. However, we are into the trail stage of production of Recycled pellets.

Our company source raw material (*post-consumer PET bottles*) from various junk collectors and recycle them to produce *Recycled Polyester Staple Fibre* and *Recycled Pellets* at our factory.

Our company holds certifications in ISO 9001:2015 for Quality Management System and ISO 14001: 2015 for Environmental Management System for the manufacturing of Recycled Polyester Staple Fibre.

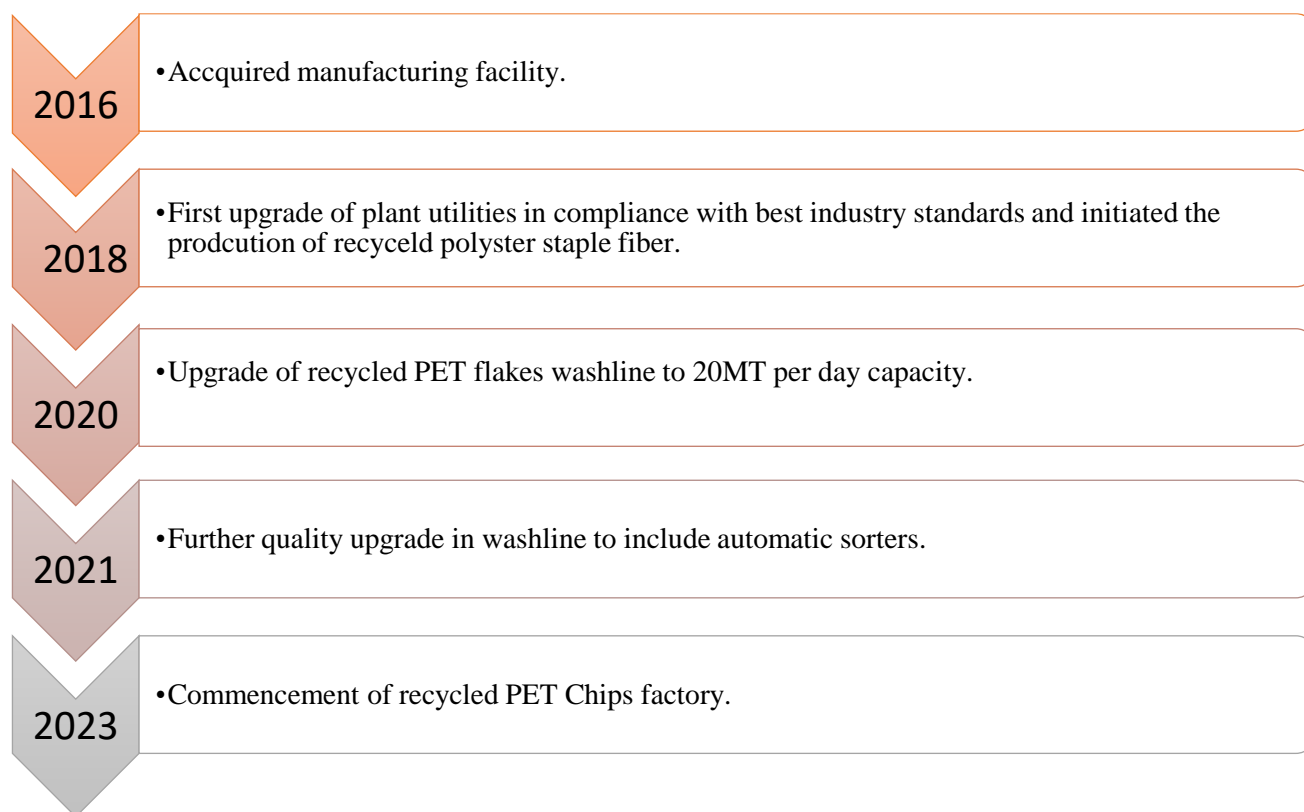
VISION

To be a pioneering leader in the realm of collection, segregation, recycling, and treatment of PET waste for the environmental sustainability to promote larger well-being of the mother earth and to set new standards for responsible PET waste management while inspiring positive change across industries.

MISSION

To advance environmental conservation through the effective utilization of technology and resource management, making a lasting impact on our planet's well-being.

JOURNEY



OUR BUSINESS VERTICLE

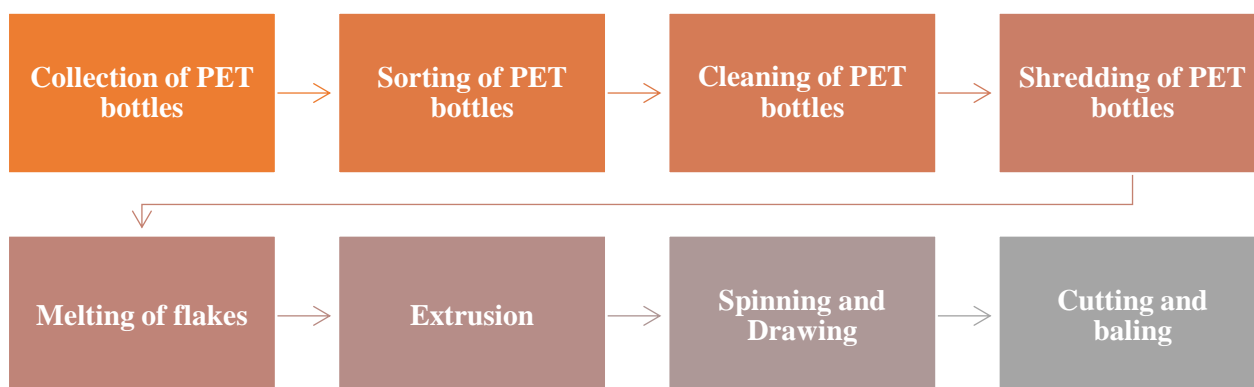
We conduct business in B2B segment, and we are operating in two business verticals:

- 1) **Recycled Fiber:** We manufacture synthetic fiber called as Recycled Polyester Staple Fiber (R-PSF) from PET bottles (Polyethylene Terephthalate bottles) of coke, soda, water or other post-consumer PET bottles or



post-industrial waste. The PET bottles are the most commonly used plastic in packaging, carrying, storing. The process of creating recycled PET fiber involves collecting PET plastic bottles, sorting and cleaning them, then melting it down to form pellets or chips. These pellets are then extruded into thin filaments, which can be spun into yarns or fibers. These fibers can be further processed and woven into fabrics or used as filling material in various products like pillows, mattresses, and insulation.

OUR MANUFACTURING PROCESS FOR RECYCLED POLYESTER STAPLE FIBER



Collection of PET Bottles: The very first step in making Recycled Polyester Staple Fiber (R-PSF) is to collect all the waste PET bottles. These PET bottles are the raw material which is used in making solid or hollow fiber or recycled pellets or resins. We source them from junk collectors, waste collectors or waste management enterprise.

Segregation of PET Bottles: Once these bottles reach at manufacturing facility, they are sorted either manually or by automated machinery based on colour and polymer and all the dispensable part like label, bottle cap and other non-recyclable items are removed.

Cleaning of PET Bottles: following the previous step, these are decontaminated and washed using caustic and detergent water to remove all the dirt, dust, bacteria or residual liquids. They are washed multiple times in different ways like pre-washing, hot washing, friction washing and rinsed and dried using air blowers or dryers to remove any moisture which is essential so as to maintain the quality of the plastic.

Shredding of PET bottles: Thereafter, these are put into high intensity grinder or shredder which convert these bottles into small pieces called as flakes. These flakes are again washed and dried. These flakes are of different sizes and measurements as per the requirement.

Melting of Flakes: These clean and dried flakes are first melted at very high temperature to form melted polymer or vicious liquid keeping in mind they don't get overheated or degraded. The flakes are melted at very specific temperatures.

Extrusion: The shredded plastic flakes are melted and extruded to form molten plastic. This is typically done in an extruder, where the plastic flakes are heated at specific temperature as per the requirement to form continuous strands or pellets.

Spinning and Drawing: This vicious liquid* is passed through series of spinnerets or small holes of spinnerets at controlled rate and pressure to produce filaments. The size and shape of the spinneret holes determine the diameter and cross-sectional shape of the filaments. Once these filaments exit the spinnerets, they are cooled down using air or water to solidify them into solid strands. Then these strands are collected and fed into drawing line where the strands are stretched, crimped and dried.

**A vicious liquid is thick and sticky, which does not flow easily.*







Cutting: Finally, these thread or yarn are cut into the desired staple length, making recycled staple fiber ready for further processing or textile production.

Bailing: The threads are chopped into the appropriate staple length as soon as they emerge from the spinnerets, readying the recycled staple fiber. After that, a device known as a baler is used to compress these staple fibers. The fiber is compressed by the machine so that big, rectangular blocks known as bales are created. After that, in order to keep the bales compact and transport them to our clients, they are packed and secured with wire and straps.

OUR FIBER OFFERINGS AND THEIR CATEGORY

S No.	Category of the Fiber	Name of the Fiber
1)	Carpet Yarn	6D 102mm Hollow White
		6D 102mm Pearl Bright
		Cationic
2)	Filling Fiber	Micro Fiber
		7D Hollow Fiber
		3D Hollow Conjugated
		15D Hollow Fiber
		15D Hollow Conjugated
3)	Geotextiles	7D Hollow Conjugated
		6D Geotex
4)	Non-Woven	3D Non-woven
		15D Non-woven
		6D Non-woven
5)	Sprining Fiber	1.5D Medium Tenacity
		3D Medium Tenacity

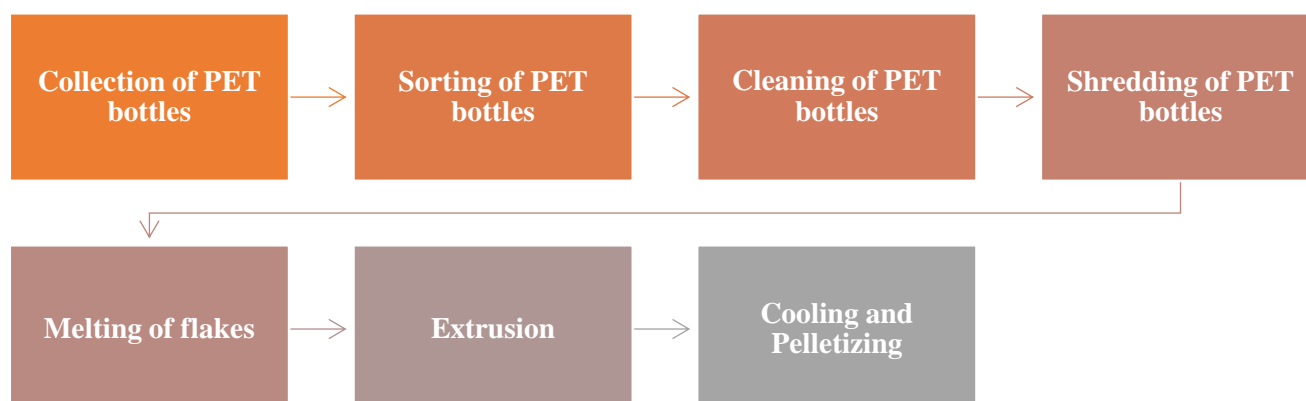
SOME OF OUR OFFERINGS IN FIBER CATEGORY

		
7D Hollow Fiber	3D Hollow Conjugated	Microfiber
		
3D Non-woven	1.5D Medium Tenacity	15D Hollow Conjugated

- 2) **Recycled Pellets/chips:** We also manufacture pellets called as Recycled Pellets which are sourced from the same raw material as is recycled polyester staple fiber. The manufacturing process is also same as that of Recycled fibres for manufacturing pellets. These pellets are used to manufacture bottles or new plastic products such as storing and packaging bottles.



PROCESS FOR RECYCLED PELLETS



Collection of PET Bottles: The very first step in making Recycled Polyester Staple Fiber (R-PSF) is to collect all the waste PET bottles. These PET bottles are the raw material which is used in making solid or hollow fiber or recycled pellets or resins. We source them from junk collectors, waste collectors or waste management enterprise.

Segregation of PET Bottles: Once these bottles reach at manufacturing facility, they are sorted either manually or by automated machinery based on colour and polymer and all the dispensable part like label, bottle cap and other non-recyclable items are removed.

Cleaning of PET Bottles: following the previous step, these are decontaminated and washed using caustic and detergent water to remove all the dirt, dust, bacteria or residual liquids. They are washed multiple times in different ways like pre-washing, hot washing, friction washing and rinsed and dried using air blowers or dryers to remove any moisture which is essential so as to maintain the quality of the plastic.

Shredding of PET bottles: Thereafter, these are put into high intensity grinder or shredder which convert these bottles into small pieces called as flakes. These flakes are again washed and dried. These flakes are of different sizes and measurements as per the requirement.

Melting and Extrusion: The shredded plastic flakes are melted and extruded to form molten plastic. This is typically done in an extruder, where the plastic flakes are heated at specific temperature as per the requirement to form continuous strands or pellets.

Cooling and Pelletizing: After passing through extrusion, the recycled plastic are cooled using water or air to solidify them into pellets or resin granules giving them consistent shape and size. cooling is essential to solidify the molten plastic into solid pellets and prevent them from sticking together.

There are various methods to cool down recycled pellets:

- a) **Water Bath Cooling:** In this method, recycled pellets are fed into a water bath that is filled with cold water following the extrusion process. The pellets quickly release heat into the cooler liquid as they come into touch with it as they sink into the water. Usually, an auger system or conveyor belt is used to remove the pellets from the water bath once they have cooled.
- b) **Ambient Cooling:** Recycled pellets can be allowed to spontaneously cool in a controlled atmosphere at room temperature. When quick cooling is not essential, this approach works well for smaller-scale applications. The heated pellets may be spread out on trays or racks and allowed to cool progressively as part of ambient cooling. It might take longer to process data, though, and it might not be as effective as other cooling techniques.

- c) **Air Cooling:** Here, the hot recycled pellets are transported through a tunnel or cooling chamber and exposed to the outside air during the air-cooling process. Blowers or fans are used to circulate cold air around the pellets, facilitating cooling and heat transfer. Carefully regulated airflow pressure and temperature allows efficient cooling without changing pellets. Air cooling systems can be added with features such as moving vents, deflectors or air curtains to maximize airflow and prevent overheating.
- d) **Conveyor Cooling:** Hot recycled pellets are moved via a vibrating conveyor or conveyor belt in conveyor cooling systems, where they are exposed to cool air or water spray. As the pellets pass through the cooling zone, they continue to move constantly along the conveyor, enabling uniform cooling. Conveyor cooling systems with programmable conveyor speed and temperature settings can be tailored to accommodate different production volumes and pellet sizes.

MANUFACTURING FACILITY

Our Company has a manufacturing facility situated at Village Kalyanpur, Tehsil Baddi, Dist Solan Himachal Pradesh.

Some of the snapshot of the manufacturing facility is as follows:





LIST OR MACHINERY AT OUR MANUFACTURING FACILITY

S No	Name of machinery	Capacity	Quantity
1.	Feeding Screw	2 Ton/Hr.	1
2.	Floatable Tank	2 Ton/Hr.	3
3.	Floatable Tank out let Screw	2 Ton/Hr.	3
4.	Hot wash Tank	2 Ton/Hr.	2
5.	Out let screw	2 Ton/Hr.	4
6.	Spin Dryer	2 Ton/Hr.	3
7.	Heating Blower	2 Ton/Hr.	1
8.	Packing Siclon	2 Ton/Hr.	5
9.	Zig- Zag	2 Ton/Hr.	1
10.	Zig-Zag Out let Screw	2 Ton/Hr.	1
11.	Sorter	2 Ton/Hr.	1
12.	Dryer	1 Ton/Hr.	5
13.	Extruder Hopper	1 Ton/Hr.	1
14.	Extruder	1 Ton/Hr.	1
15.	CPF Filter	1 Ton/Hr.	1 Set
16.	Heating Beam	1 Ton/Hr.	1 Set
17.	Takeup	1 Ton/Hr.	1
18.	Sun Flower	1 Ton/Hr.	1 Set
19.	Cane Traverse Unit	1 Ton/Hr.	1
20.	Drafter	1 Ton/Hr.	3
21.	Draw Bath	1 Ton/Hr.	1
22.	Steam Bath Big	1 Ton/Hr.	1
23.	Stretcher Roll	1 Ton/Hr.	1
24.	Steam Bath Small	1 Ton/Hr.	1
25.	Crimper	1 Ton/Hr.	1
26.	Feeding Conveyer	1 Ton/Hr.	1 Set
27.	Cutter	1 Ton/Hr.	2



28.	Relaxer	1 Ton/Hr.	1
29.	Bailer	1 Ton/Hr.	1
30.	Compounding & Granulating Production Line	1 Ton/Hr.	1

CAPACITY UTILISATION

(in metric tons)

Product Category	Particulars	For the period ended 31st March, 2024	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Recycled Fiber	Installed	8030.00	8030.00	8030.00
	Actual	7059.24	6688.25	6978.85
	%	87.91%	83.29%	86.91%
Recycled Pellets	Installed	2160	NA	NA
	Actual	384		
	%	17.78%		

STRENGTHS

- Own Manufacturing facilities:***

Our company has its own manufacturing facility registered in its own name at in Kalyanpur Tehsil Baddi, District Solan, Himachal Pradesh. This manufacturing facility was purchased from Axis bank Limited as a distressed asset. The Company has an owned land spreading to around 10,000 square meters and the manufacturing facility is built on an area of 5,000 square meters where all the manufacturing process pertaining to recycled polyester staple fibre and recycled pellets is carried out. Our facility has total capacity of 8030 metric tons per annum for fiber and 4320 metric tons per annum for pellets.

- Experienced management and Promoter:***

We are backed and managed by our young, experienced promoters and the members of board and management. Our promoters who also forms part of the management are the pillars and the guidance force which drives the growth of our company. They identify and select the areas which are suitable to enter, start or scale up business operations. Their experience and guidance allow us to command and position better ourselves in the market in terms of changing need or capitalising better opportunities.

- Small order size help in getting more orders from small scale buyers:***

As per the market dynamic, the buyer must plan at least 10 days in advance before placing an order, and then arrange and block required funds in the appropriate quantity in addition to preparing storage space for the arriving items. Typically, orders are placed for a minimum of 25 tons. Since our delivery vehicle can only carry a maximum of 7 tons of goods; hence we operate on a modest order basis. Since our customers don't need to plan, they may place their orders whenever they want, if they do so by 4 p.m., and then get their orders delivered. This helps us in having better margin and more demanding for small scale buyers. It also eliminates the need for middlemen like traders to offload.

- Established relationship with customers:***

We operate on almost all days of year, except national holidays. This helps us in building new relationships and maintain existing customer base as our manufacture facility runs every day of the year, thereby meeting the market demand. We manufacture on daily basis and deliver the same as per customer requirement without compromising on quality. Further we are able to attract and retain small scale customers which gives them advantage to procure as per their economies of scale and allows us to expand our customer base.



OUR BUSINESS STRATEGY

- *To increase our manufacturing capacity by purchase of plant and machineries*

Our company is engaged in the manufacturing of Recycled Polyester Fiber and Recycled Pellets. We intend to expand our operations by setting up a new manufacturing facility in Baddi, Himachal Pradesh, through the purchase of new wash line machinery. For further details, please refer to the chapter “Object to the issue” on page 77 of this Prospectus.

- *Capitalize the opportunity in the Recycled polyester Fiber and Pellets Industry*

We believe that the recycled fiber and pellets sector will grow rapidly in the upcoming years, due to changing lifestyle, government schemes for the environment protection, and consumer demand. We intend to capitalise such opportunities by supplying required products and services. We believe that we are well positioned to cater the growing demand with our offerings.

- *Focus on consistently meeting quality standards*

Our Company intends to focus on adhering to the quality standards of our offerings. Ensuring adherence to quality standards is pivotal for fostering customer loyalty and improving brand reputation. By prioritizing quality in our offerings, we not only secure repeat orders but also cultivate trust among our customer bases.

- *Customer Acquisition:*

The company initially faced challenges in attracting buyers due to intense competition in the industry. We took a proactive approach by gathering customer reviews and using that feedback we started improving the quality of their products. Besides this we were also analyzing and studying the market dynamics. After some time, the company successfully gained more buyers and established a good reputation in the industry. Offering competitive pricing strategies to attract price-sensitive customers in the competitive industry is one of our strategies followed for customer acquisition.

MARKETING

We have developed a strong marketing network across different states to cover our existing and prospective clients which include small-scale as well as large scale business operators. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our team, through their experience and good bond with clients due to timely and quality delivery of products and services plays an instrumental role in creating and expanding a work platform for our Company.

SOURCES OF REVENUE

(Amount in lakhs)

Particulars	For the period ended 31 st March 2024	% of Total	For the period ended 31 st March, 2023	% of Total	For the period ended 31 st March, 2022	% of Total
Recycled Fiber	5,314.19	94.68	5,694.22	99.31%	5,616.06	97.20%
Recycled Pellets	148.70	2.65	Nil	Nil	-	-
Pet Flakes	5.46	0.10	5.59	0.10%	-	-
PET Recycling By Products	-	-	-	-	112.74	1.95%
Sale of Scrap	60.57	1.08	34.02	0.59%	48.90	0.85%
EPR Certificates	84.06	1.50	-	-	-	-



Total	5612.98	100.00	5,733.83	100.00	5,777.70	100.00
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Recycled Fiber	The main product of the company is recycled Polyester Staple Fiber, which has many grades and uses. The company manufacturers recycled Polyester fiber primarily for the home furnishing application.
Recycled Pellets	The company has set up manufacturing of R-PET pellets which can be used for non-fda pre-forms and sheet applications
Pet Flakes	PET Flakes are the product from the PET Bottles, wherein “Scrap bale bottles*” or “Scrap crushed bottles**” are used as input and the output is the PET flakes which can be used for further downstream processes. PET flakes are the raw material for Fiber and Pallets (chips) plants. Our current PET flakes are manufactured by washing clear PET bottles.
PET Recycling by Products	When purchasing scrap bales Bottles from the market, the same typically contain about 10% Green Bottles, which are PET bottles used for beverages like Sprite and Mountain Dew. The bales also contain other colored Bottles which are used in FMCG products. These bottles are not usable in our processes as our product range is developed for clear PET bottles.
Sale of Scrap	Processing of post-consumer recycled plastic (PCR) PET waste generates lot of scrap products like raffia, labels. Besides this certain obsolete machinery and spare parts are also sold as scrap waste generated from the plant.
EPR Certificate	As per plastic waste management amendment rules, users of plastic packaging are required to purchase EPR credits. Since we are recycling facility, we are eligible to generate the EPR certificates required by brand owners. Such sale is represented as EPR sales in the revenue.

* Scrap bale bottles refer to PET bottles which are collected and packed in compact large quantities making it a bundle. These bundles are called bales.

** Scrap Crushed Bottles are the crushed pieces of the PET Bottles. These PET Bottles when crushed through dry grinding are called scrap crushed bottles.

REGION WISE REVENUE BIFURCATION

(Amount in lakhs)

S No.	Name of the State	For the period ended 31st March, 2024	For the period ended 31st March, 2023	For the period ended 31st March, 2022
1)	Chandigarh	-	6.05	80.93
2)	Delhi	30.10	36.91	229.27
3)	Gujrat	-	1.25	2.01
4)	Haryana	285.93	98.80	38.49
5)	Himachal Pradesh	4970.38	5393.34	5036.59
6)	Punjab	232.85	128.05	165.50
7)	Rajasthan	-	28.75	61.47
8)	Telangana	84.06	0.01	-
9)	Uttar Pradesh	7.71	38.97	162.62
10)	Uttarakhand	1.93	1.71	0.81
11)	West Bengal	-	-	-
Total		5612.98	5733.83	5777.70

HUMAN RESOURCE

We believe that human resource is equally an important and indispensable resource like any other such as raw material or capital etc. Human capital is what builds and shape the ideas, goals, objectives into reality. As on August 31, 2024, we have around 83 employees engaged under different department including young as well as experienced employees which could contribute to the growth of our company.



The details of our employee bifurcation are given below:

S No.	Departments	Number of Employee
1	Finance and Accounts	2
2	Human Resources	1
3	Marketing and Sales	1
4	Operations	57
5	Secretarial	1
6	Tech	14
7	Admin	7
TOTAL		83

As on August 31, 2024 Our company employs 23 contractual workers. The company initially took registration of contractual employees dated June 25, 2020 which was valid for a year i.e. June 24, 2021. However, with the enactment of Contract Labour (Regulation and Abolition) Himachal Pradesh Amendment Act, 2020, coming into force on 9th day of July 2020, the threshold limit for registration for employing contract employees increased from 20 to 30. Thus, currently even though we have employed contractual employees, we are not required to take registration for engaging contractual employees.

FINANCIAL ACHIEVEMENTS OF THE COMPANY

(Amount in Lakhs)

Particulars	31 st March 2024	31 st March 2023	31 st March 2022
Share Capital	526.54	500.00	500.00
Reserves and Surplus	764.49	353.23	137.05
Net Worth	1291.03	853.23	637.05
Total Income	5912.88	5815.51	5981.52
PAT	237.80	216.18	52.91

EXPORT AND EXPORT OBLIGATIONS

As on the date of this Prospectus, our company do not export and also do not have any export obligation.

UTILITIES & INFRASTRUCTURE FACILITIES

Power

Our registered office requires power for the everyday office functions including computers, printing, and lighting. which is provided by the Tata Power Company Limited. Further, adequate power is available at our plant situated at Baddi, Himachal Pradesh, which is sourced by the Himachal Pradesh State Electricity Board Limited. We have the authorized, sanctioned loads of 958 K.W. required to ensure a steady and constant supply of electricity.

Water

An adequate water supply is crucial for our business operation. Under our business process, water is mainly required for washing, cleaning and cutting purposes in the production process. Water is also required for the general purpose such as drinking and sanitation. We procure water from our own borewell having capacity of 100 Kilo liter per day.

Manner of Storage of Raw Material:

The company has a huge storage shed in the factory situated at Baddi, Himachal Pradesh. The company always keeps raw material for at least 15 days of production. By having a buffer stock of raw materials, the company can continue its production even if there are temporary disruptions in the supply chain.

EFFLUENT TREATMENT

During our business operation, we get the Mud and Sludge as waste material, which are sent to the authorised agency M/s Shivalik Solid Waste Management Ltd for the future treatment.

COMPETITION

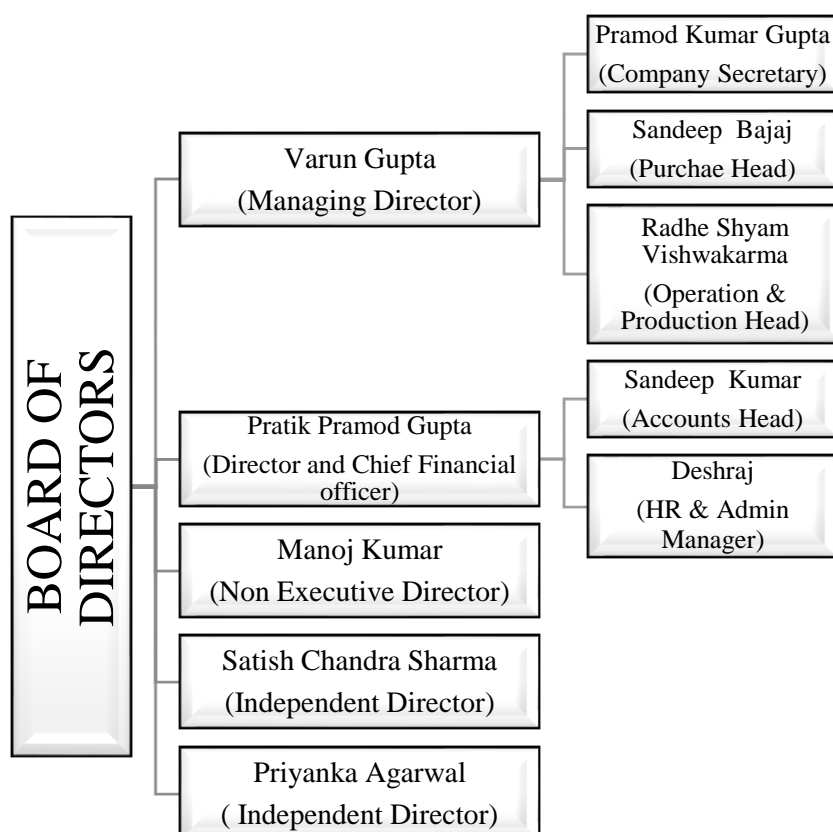
Given the current scenario of sustainability and environmental impact of business activities, the recycling is an emerging industry. We face competition from domestic companies and from international organisations, whether private or public, small scale or large scale. We also compete with larger and financially stronger Companies who may have greater brand recognition and reputation than us.

Even though investment in plant and machinery is quite exorbitant but the source of raw material is easily available, thus people with no capital constraints can easily enter this market. Our competition depends on various factors, such as the quality of our product, demand for recycled products, government regulations and consumer preferences and fashion.

Some of our competitors are:

- Ganesha Ecosphere Limited
- Rungta Greentech Limited

ORGANISATIONAL STRUCTURE





COLLABORATION

As on the date of this Prospectus, we have not entered in any collaboration and technical agreement.

INSURANCE

As on the date of this Prospectus, our company has taken insurance policies details of which is given as under

S. No.	Insurer	Type of Policy	Policy number	Expiry	Sum Insured (Amt. in Rs.)
1)	Bajaj Allianz General Insurance Company Ltd	Marine Cargo Insurance	OG-24-1101-1005-00000100	18/01/2025	5,00,00,000/-
2)	Bajaj Allianz General Insurance Company Ltd	Employee Compensation	OG-24-1101-2802-00000476	04/03/2025	As per the Employees Compensation Act, 1923
3)	Bajaj Allianz General Insurance Company Ltd	Standard Fire and Special Perils Cover Burglary and Robbery Cover	OG-25-1101-4094-00000040	02/07/2025	44,01,00,000

LAND & PROPERTIES



The details of the land and properties used by the Company are follows:

S. No.	Address	Area	Tenure	Owned/ Leased	Type/ Usage
1	1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Maharashtra - 400072	300 Square ft.	10 Years (w.e.f. March 09, 2024)	Leased	Registered office
2	Village Kalyanpur, Tehsil Baddi, Dist Solan Himachal Pradesh – 173205	1,05,154 Square ft.	N.A.	Owned	Manufacturing Plant

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INTELLECTUAL PROPERTY RIGHTS

As on the date of this Prospectus the following are the Trademarks/ wordmark applied in the name of the company under the Trademark Act, 1999:

Trademark/ Wordmark	Date of Application	Application Number	Class	Current Status
	20/05/2024	6441308	35	Formalities check pass
	20/05/2024	6441309	40	Formalities check pass

DOMAIN DETAILS

Domain Name and ID	Sponsoring Registrar & ID	Creation date	Expiry Date	Current Status
www.divyadhan.in	Name of Sponsoring Registrar: Endurance Digital Domain Technology LLP ID: 801217	20 th April, 2017	20 th April, 2027	Active

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KEY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be 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.

RELATED TO OUR BUSINESS

In India Waste Management is governed by multiple sub-ordinate Regulations and the Ministry of Environment, Forest and Climate Change, Government of India (MOEF) with Central Pollution Control Board (CPCB) and State Pollution Control Boards of different states (SPCB). For disposal of cases, enforcement of any legal right or giving relief and compensation for damages to persons and property relating to the environment, the National Green Tribunal (NGT) was established in 2010. The Environment Protection Act and various Rules govern compliance and issues of waste Management in India.

ENVIRONMENT (PROTECTION) ACT, 1986

The Environment (Protection) Act was enacted with the objective of providing the protection and improvement of the environment. It empowers the Central Government to establish authorities charged with the mandate of preventing environmental pollution in all its forms and to tackle specific environmental problems that are peculiar to different parts of the country.

This act regulates what can and cannot be discharged into the environment, establishes standards for hazardous materials, and imposes fines for violations. It also requires construction companies to report any accidents that occur during or after construction.

PLASTIC WASTE MANAGEMENT RULES, 2016

The Plastic Waste Management Rules, 2016, mandate the generators of plastic waste to take steps to minimize generation of plastic waste, not to litter the plastic waste, ensure segregated storage of waste at source & hand over segregated waste in accordance with rules. The rules mandate the responsibilities of local bodies, gram panchayats, waste generators, retailers and street vendors to manage plastic waste. The PWM Rules, 2016 cast Extended Producer Responsibility (EPR) on Producer, Importer, and Brand Owner and EPR shall be applicable to both pre-consumer and post-consumer plastic packaging waste. Since our company is actively engaged in the waste management sector, we need to comply with these rules, relating to recycling or use of recycled plastic for our waste management initiatives.

WATER (PREVENTION & CONTROL OF POLLUTION), ACT 1974

An Act to provide for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water, for the establishment, with a view to carrying out the purposes aforesaid, of Boards for the prevention and control of water pollution, for conferring on and assigning to such Boards powers and functions relating thereto and for matters connected therewith. The said act applies to our company since our company is also engaged in providing waste water management solutions.

CONSUMER PROTECTION ACT, 2019

The Consumer Protection Act (both old and new) is a legislation enacted in India with the sole purpose of protecting and safeguarding the interests of consumers. When a service is found deficient by a consumer, they can lodge a complaint with the Consumer Court constituted under the Consumer Protection Act, 2019. Thus, the prime requirement is that the matter must fall within the “definition of service”, and it must entail a deficiency as per the requirements provided under the Consumer Protection Act, 2019.

Consumer Courts is a 3-tier system of courts (National level, State level and District level) where aggrieved consumers can approach as per the valuation of matter in concern, for redressal and adjudication of disputes. Once the issues of the matter in dispute are recognized, the further step is to understand the pecuniary limit/jurisdiction of the case.

THE INDIAN CONTRACT ACT, 1872:

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract.

Construction contracts in India are governed by the Contract Act, 1872. Section 10 of the act lays down the essential elements required for all contracts. Any contract that has an unlawful purpose is invalid. Moreover, claims for liquidated damages in case of breach of contract are rooted in the provisions of the Contract Act itself. Sections 73 and 74 specifically provide for the payment of damages by the defaulting party in the event of a breach of contract.

LABOUR LAWS

India has extensive labour related legislations. Some of the significant labour laws and regulations that may be applicable to our Company in India include:

INDUSTRIAL DISPUTES ACT, 1947

The Industrial Disputes Act, 1947 regulates the resolution of industrial disputes, as well as the legality or illegality of strikes, lay-off terms and worker retrenchment. It applies only where the employee is a worker – that is, someone who does manual, supervisory, technical or clerical labour, and does not primarily have management or supervisory duties.

EMPLOYEES COMPENSATION ACT, 1923

The Employee’s Compensation Act, 1923 was formed to provide compensation to the workmen at the time of an accident. The act mentions that it is the duty and responsibility of the employer to include the welfare of the workers when an injury is the result of the employment in the same way the employer has reserved the right to make profits. The main aim of this act is to ensure that the workmen have sustainable life even after encountering an employment-related injury.

MINIMUM WAGES ACT, 1948

The Minimum Wages Act, 1948 is a Central legislation aimed at statutory fixation of minimum rates of wages in the employments where sweated labour is prevalent with possibility for exploitation of unorganized labour. The Act provides that the government will fix the minimum wage rate and revise it every five years. It appoints advisory committees to consider the proposals.



PAYMENT OF WAGES ACT, 1936

The Act ensures that the employees receive wages on time and without any unauthorised deductions. It must be complied with by any principal employer/contractor who hires 20 or more contract labourers for an “establishment”. The said Act requires the principal employer to register its establishment in accordance with the Act, whereas all such contractors must obtain a licence from the authorised licensing authority specified in the Act.

THE EMPLOYEES’ PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952:

The EPFA came into force on March 4, 1952, and amended on September 1, 2014. Under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, the employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1988

The Contract Labour (Regulation and Abolition) Act 1988 is a law that regulates the use of contract labour in India. Under this law, contractors must ensure that their workers are treated fairly and are not subjected to slave labour or human trafficking. The Contract Labour (Regulation and Abolition) Act also prohibits employers from forcing employees to work excessive hours or under unsafe conditions.

It must be complied with by any principal employer/contractor who hires 20 or more contract labourers for an “establishment”. The said Act requires the principal employer to register its establishment in accordance with the Act, whereas all such contractors must obtain a licence from the authorised licensing authority specified in the Act.

THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. 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 etc.

THE PAYMENT OF BONUS ACT, 1965

The Payment of Bonus Act, 1965 aims to regulate the amount of bonus paid to the persons employed in certain establishments based on their profits and productivity. Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where twenty or more persons are employed on any day during an accounting year, is eligible to be paid a bonus. It further provides for the payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.



PAYMENT OF GRATUITY ACT, 1972

The Payment of Gratuity Act is applicable to every factory, mine, oilfield, plantation, port, railway companies and to every shop and establishment in which 10 or more persons are employed or were employed at any time during the preceding twelve months. This Act applies to all employees irrespective of their salary. The Payment of Gratuity Act, as amended, provides for a scheme for payment of gratuity to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years:

- (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 five years does not apply)

EMPLOYEES' STATE INSURANCE ACT, 1948

The Act requires any and all businesses, including construction projects, employing more than 10 people, to procure registration under the Employees' State Insurance Act, 1948 ("ESI Act"). Presently, the ESI Act mandates every employer to provide for its workers' insurance. The Act covers both workers employed directly under an employer and through a contractor. The insurance procured by an employer/contractor under the mandate of the ESI Act covers contingencies such as maternity leave, sickness, temporary or permanent physical disablement, or death owing to the hazards of employment, which may lead to loss of wages and the earning capacity of an employee.

TAXATION LAWS

In addition to the aforementioned legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Income Tax Act, 1961, the Income Tax Rules, 1962, as amended by Finance Act in respective years;
- Building and Other Construction Workers Welfare Cess Act, 1996 - applies to 10 or more building workers or other construction workers, has been enacted for the welfare of construction workers, including regulating the workers' safety, health, and other service conditions. A cess of 1% is collected from the employer on the cost of construction incurred.
- Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various
- State-wise legislations made thereunder;
- The Integrated Goods and Service Tax Act, 2017;
- Professional Tax state-wise legislations;

INTELLECTUAL PROPERTY RIGHT ACTS

THE PATENTS ACT, 1970 ("PATENTS ACT")

The patent regime in India is governed by the Patents Act and rules and regulations made thereunder. Pursuant to the TRIPS Agreement, product patent regime with a protection period of 20 years became applicable in India. The patent regime protects inventions through patents. The amended Patents Act defines "inventive step" to mean a feature of an invention that involves a technical advance as compared to the existing knowledge or having economic significance or both and that makes an invention not obvious to a person skilled in the art. Any person claiming to be the true and first inventor of the invention or the assignee of the true and first inventor or the legal representative of any deceased person who was entitled to make an application immediately before death may apply for a patent for an invention.

Since our company employs a range of techniques, methodologies, and technologies aimed at optimizing the performance and stability of structures built on or in the ground, the Patents Act applies to us, both for the registration and protection of our patented methodologies/techniques.



THE DESIGNS ACT, 2000 (THE “DESIGNS ACT”)

The Designs Act prescribes for the registration of designs. The Designs Act specifically lays down the essentials of a design to be registered and inter alia, provides for application for registration of designs, copyright in registered designs, etc. A ‘Design’ means only the features of shape, configuration, pattern, ornament or composition of lines or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, trademarks and copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same before the Controller- General of Patents, Designs and Trade Marks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration.

Since our Company is engaged in designing civil engineering products with state-of-the-art specialty in Geo-Technical Specialised Solutions, the Design Act applies to us, both for the registration and protection of our designs.

FOREIGN REGULATIONS

FOREIGN EXCHANGE MANAGEMENT ACT, 1999:

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 (“FEMA”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India 102 and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

FEMA REGULATIONS:

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

THE FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992 (“FTA”):

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules 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. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (MSMED Act) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- where the investment in plant and machinery or Equipment does not exceed one Crore rupees & Turnover does not exceed five crore rupees shall be regarded as a micro enterprise;
- where the investment in plant and machinery or Equipment does not exceed ten crore rupees & turnover does not exceed fifty crore rupees shall be regarded as a small enterprise;
- Where the investment in plant and machinery or Equipment does not exceed fifty crore rupees & turnover does not exceed two hundred and fifty crore rupees shall be regarded as a medium enterprise;

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty-five days from the day of acceptance of goods. It also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED 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 MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise.

GENERAL LEGISLATIONS

THE COMMERCIAL COURTS ACT, 2015

The Commercial Courts Act, 2015 was passed by Parliament to enable the creation of commercial divisions in high courts and commercial courts at the district level. Section 2(1)(c) of the act defines ‘commercial disputes’ – a definition which includes disputes arising from construction and infrastructure contracts.

THE COMPETITION ACT, 2002:

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

THE INDIAN STAMP ACT, 1899

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.



THE REGISTRATION ACT, 1908

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

NEGOTIABLE INSTRUMENTS ACT, 1881

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

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. In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states. Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process. Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate. Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

LIMITATION ACT, 1963

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

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OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

HISTORY OF OUR COMPANY

Our Company was incorporated as a private limited company with the name of “Divyadhan Consultants Private Limited” under the Companies Act, 1956 vide certificate of incorporation dated May 03, 2010 issued by Registrar of Companies, Mumbai, bearing Registration No. 202686. Further in year, 2023 the name of the company was changed from “Divyadhan Consultants Private Limited” to “Divyadhan Recycling Industries Private Limited”, pursuant to which the ROC, Mumbai has issued a Certificate of Incorporation dated November 10, 2023. Subsequently our company was converted into public company namely, Divyadhan Recycling Industries Limited, pursuant to shareholders’ resolution dated December 13, 2023 vide new Certificate of Incorporation dated March 02, 2024. As on the date of this Prospectus the Corporate Identification Number of our company is U39000MH2010PLC202686.

BUSINESS OVERVIEW

Our company is into the business of manufacturing of *Recycled Polyester Staple Fibre (R-PSF)* and *Recycled Pellets*. The recycled fibre and pellets are produced from post-consumer PET bottles also known as Polyethylene Terephthalate bottles. Our company started its operations in the financial year 2018-19, by manufacturing *Recycled Polyester Staple Fibre (R-PSF)* at their manufacturing facility based in Baddi, Himachal Pradesh.

BACKGROUND OF PROMOTERS

1. **Mr. Varun Gupta** is the promoter and Managing Director of our Company. He has been appointed as Managing Director of the Company w.e.f. January 23, 2024. He holds a bachelor’s degree in engineering from University of Pune and also did his master’s in business administration from Cass Business School, London, United Kingdom. He has an experience of 13 years in Pharmaceutical Industry and Recycle Polymer fibre. He has been associated with our company since 2016 as a director. He leads all marketing functions, creation of brand awareness, customer acquisition through strategic planning and execution. He effectively manages resources and collaborate with stakeholders. His role involved developing medium- and long-term business strategies.
2. **Mr. Pratik Gupta** is the Promoter and Director of our Company. He has been associated with our company as a director of the Company w.e.f. April 14, 2013. He holds a Bachelor of Engineering (Honours) in Systems Engineering from University of Warwick. He has overall experience of more than 10 years in the Recycled Polymer industry. He is responsible for looking all day-to-day activities and ensuring product standards are maintained and providing direction to the operations team, overseeing all aspects of day-to-day operations of the Company.

CHANGES IN OUR REGISTERED OFFICE

The Registered Office of the Company is presently situated at 1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Mumbai, Maharashtra - 400072, India. The details of change of Registered Office of the Company are as follows:

S. No.	Date of Change	Shifted from	Shifted to
1.	14-04-2013	7-B/19, Sangeeta Apartments, 3rd Floor, Juhu Road, Juhu, Mumbai City, Maharashtra – 400049	12, 2 nd Floor, Rayfreda Building, Mahakali Caves Road, Chakala, Andheri(East), Mumbai City, Maharashtra - 400093.



2.	14-11-2018	12, 2 nd Floor, Rayfreda Building, Mahakali Caves Road, Chakala, Andheri(East), Mumbai City, Maharashtra - 400093.	1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Mumbai, Maharashtra, India, 400072
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MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

1. To carry on the business, whether within or outside India, of collection, segregation, transportation, trading, processing, composting, recycling, treatment and disposal of all types of waste (whether solid, liquid or gaseous substances) and including but limited to municipal solid waste, electronic waste (e-waste), construction and demolition debris, bio-medical waste, hazardous waste, sewage, waste water etc.
2. To establish, operate, and manage recycling facilities, centers, depots, and related infrastructure for the efficient processing and storage of recyclable materials.
3. To manufacture, produce, or otherwise deal in products made from recycled materials, and to distribute, sell, or export such products, trade in recyclable materials, recycled products, and related goods by buying, selling, importing, exporting, and distributing them.
4. To promote and implement environmentally sustainable practices, conservation of natural resources, and reduction of waste generation, to research, develop, and implement innovative technologies and processes for recycling, waste management, and environmental conservation.
5. To ensure strict compliance with all relevant environmental laws, regulations, and standards governing recycling, waste management, and environmental conservation activities, to undertake community outreach programs, educational initiatives, and partnerships with local organizations to raise awareness about recycling and environmental conservation.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, there has been following amendment made to the MOA of our Company:

Date of Amendment	Particulars of Amendment
10-09-2010	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 1,00,000/- to Rs. 10,00,000/-.
05-11-2019	Alteration in Memorandum of Association due to change in Object Clause, Liability Clause, increase in Authorised Share Capital and adoption of new set of Articles of Association. The Authorized Share Capital was increased from existing Rs. 10,00,000/- to Rs. 2,00,00,000/-.
09-01-2020	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 2,00,00,000/- to Rs. 5,00,00,000/-.
27-09-2023	Alteration of Name clause and Object Clause of Memorandum of Association and subsequently the name of the company was changed from “Divyadhan Consulting Private Limited” to “Divyadhan Recycling Industries Private Limited”.



02-03-2024	Alteration in Name Clause and subsequently the company was converted from Private Limited Company to Public Limited Company.
04-03-2024	Alteration in authorised share capital of the company and the authorised share capital was increased from 5,50,00,000 to Rs. 18,09,00,000/-.

KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Particulars
2010	The company was incorporated by the previous promoters Mr. Prakash Padnamabh Pillai & Mr. Padmanabh Gopal Pillai in the year 2010 under the name and style Divyadhan Consultants Private Limited under Companies Act, 1956.
2013-2014	As on 14.04.2013, the erstwhile promoters sold the company by transferring their 5000 shares each to Pratik Gupta and Ritika Gupta.
2015-2016	As on 22.02.2016, Ms. Ritika Gupta sold her 5000 shares constituting 50% of paid-up share capital to Mr. Varun Gupta. Since then both Pratik Gupta and Varun Gupta have been the promoter of the company.
2015-2016	In the year 2016, the company acquired a distress asset in accordance with the provisions of SARFESI Act, 2002, The asset includes Factory Land & Building, Plant & Machinery and other movable Assets plant and machinery from Axis Bank Ltd.
2018-2019	In the year 2018-2019, The company started doing production by manufacturing Recycled Polyester staple Fiber and achieved turnover INR. 9.6 cr approximately.
2023-2024	Our company changed its name from “Divyadhan Consultants Private Limited” to “Divyadhan Recycling Industries Private Limited”. Thereafter, in December 2023, the company passed special resolution for conversion from Private Limited to Public Limited Company. In March 2024, the Registrar of Company Mumbai, approved conversion of the company from Private Limited to Public Limited and issued fresh certificate of incorporation dated March 02, 2024.

DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of Our Company’s activity, business model, marketing strategy, strength, completion of business, please see “Our Business”, “Management Discussion and Analysis of Financial Conditions” and “Basis for Issue Price” on page 120, 202, 86 of this Prospectus respectively.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any holding company as on the date of filing of this Prospectus

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company does not have any subsidiary company as on the date of filing of this Prospectus

JOINT VENTURES OR ASSOCIATES PARTNERSHIP FIRMS

As on the date of this Prospectus, our company does have not have promoted any Joint Venture or any associates partnership firm.



OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

FUND RAISING THROUGH EQUITY OR DEBT

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled “*Capital Structure*” beginning on page 56 of this Prospectus.

REVALUATION OF ASSETS

Our Company has not re-valued its assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Other than as stated in this Prospectus, there has been no change in the activities being carried out by our Company since incorporation till the date of this Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

STRIKES AND LOCK-OUTS

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Prospectus, our employees are not unionized.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

SHAREHOLDERS’ AGREEMENT

Our Company does not have any subsisting shareholders’ agreement as on the date of this Prospectus.



OTHER AGREEMENTS

As on the date of this Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Prospectus.

STRATEGIC PARTNERS

Our Company does not have any strategic partner(s) as on the date of this Prospectus.

FINANCIAL PARTNERS

As on the date of this Prospectus, our Company does not have any financial partners.

ACQUISITION OF BUSINESS / UNDERTAKINGS

Except for the acquisition of a manufacturing facility in Baddi, Himachal Pradesh, as a distressed asset under the provisions of the SARFAESI Act, 2002 from Axis Bank Limited in 2015-2016, there has been no merger, amalgamation, acquisition of business or undertaking with respect to our Company. We have not acquired a business undertaking since inception.

DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS

There has been no divestment by the Company of any business or undertaking since inception.

NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has 28 shareholders as on date of this Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “Capital Structure” beginning on page 56 of this Prospectus.

DETAILS OF PAST PERFORMANCE

For details of Change of management, please see chapter titled “Our Business” and “Our History and certain corporate matters” on page 120, 141 respectively of this Prospectus.

DETAILS OF FINANCIAL PERFORMANCE

For details in relation to our financial performance in the previous three financial years, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 173 of this Prospectus.

COLLABORATION AGREEMENT

As on the date of this Prospectus, our Company has not entered into collaboration agreements.

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OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on our Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Prospectus, our Board consists of 5 (Five) Directors, out of which 2 (Two) are Executive Directors and 3 (Three) are Non-Executive Directors out of which 2 (Two) directors are Independent Directors. Mr. Varun Gupta is the Managing Director of our Company.

S. No.	Name	DIN	Category	Designation
1.	Mr. Varun Gupta	00471296	Executive Director	Managing Director
2.	Mr. Pratik Gupta	06576759	Executive Director	Director
3.	Mr. Manoj Kumar	10345101	Non-Executive Director	Non-Executive Non-Independent Director
4.	Mr. Satish Chandra Sharma	06644259	Non-Executive Director	Independent Director
5.	Ms. Priyanka Agarwal	08089006	Non-Executive Director	Independent Director

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Prospectus:

S. No	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	No. of Equity Shares held & % of pre issue shareholding	Other Directorship/partner
1	Mr. Varun Gupta Designation: Managing Director Address: B-1703, Omaxe Forest Spa, Sector 93B, Gautam Buddha Nagar, Noida, Uttar Pradesh - 201301 Date of Birth: June 28, 1988 Occupation: Business Nationality: Indian Term: 5 Years Qualification: Master of Business Administration Date of First Appointment: May 07, 2016 Date of Appointment as MD: January 23, 2024 DIN: 00471296	35 Years	49,52,798 Equity Shares (47.03% of the Pre -issue shareholding)	Indian Private Companies 1.Amama Jewels Private Limited 2.YMC India Private Limited 3.Del - Tech Instruments Private Limited 4.Santai India Private Limited Indian Public Companies Nil Section 8 companies Nil Indian LLPs Nil

2	<p>Mr. Pratik Gupta</p> <p>Designation: Director</p> <p>Address: 1901, Evita, Hiranandani Gardens, Powai, Mumbai, Maharashtra – 400076</p> <p>Date of Birth: June 10, 1988</p> <p>Qualification: Bachelor of Engineering (Honours) in Systems Engineering</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Date of Appointment: April 14, 2013</p> <p>DIN: 06576759</p>	35 Years	49,52,816 Equity Shares (47.03% of the Pre - issue shareholding)	<p>Indian Private Companies</p> <ol style="list-style-type: none"> 1. Vinpro Recycletech Private Limited 2. Associated Textile Industries Private Limited. 3. Yashash Commodities Private Limited 4. Lashkari Developers Pvt. Ltd <p>Indian Public Companies</p> <ol style="list-style-type: none"> 1. Proma Industries Limited 2. Medilia Limited <p>Section 8 companies Nil</p> <p>Indian LLPs Nil</p>
3.	<p>Mr. Manoj Kumar</p> <p>Designation: Non-Executive Director</p> <p>Address: Krishangarh (S.T.), Kuthar, Solan, Himachal Pradesh - 173206</p> <p>Date of Birth: February 15, 1982</p> <p>Qualification: Diploma in Electronics</p> <p>Occupation: Professional</p> <p>Nationality: Indian</p> <p>Date of Appointment: April 01, 2024</p> <p>DIN: 10345101</p>	42 Years	Nil	<p>Indian Private Companies Nil</p> <p>Indian Public Companies Nil</p> <p>Section 8 companies Nil</p> <p>Indian LLPs Nil</p>
4.	<p>Mr. Satish Chandra Sharma</p> <p>Designation: Independent Director</p> <p>Address: Phogri, Didwana, Nagaur, Rajasthan - 341303</p> <p>Date of Birth: December 26, 1984</p> <p>Qualification: Company Secretary</p> <p>Occupation: Professional</p> <p>Nationality: Indian</p>	39 Years	Nil	<p>Indian Private Companies Nil</p> <p>Indian Public Companies</p> <ol style="list-style-type: none"> 1. Regal Enterprises Ltd 2. Haryana Global Limited 3. Sharp Commercial Enterprises Limited <p>Section 8 companies Nil</p> <p>Indian LLPs Nil</p>



	Date of Appointment: February 08, 2024 DIN: 06644259			
5.	Ms. Priyanka Agarwal Designation: Independent Director Address: GA-145, Bhawani Nagar, Near Murlipura School, Sikar Road, Murlipura, Jaipur, Rajasthan - 302039 Date of Birth: September 26, 1986 Qualification: Company Secretary Occupation: Professional Nationality: Indian Date of Appointment: February 08, 2024 DIN: 08089006	37 Years	Nil	Indian Private Companies Nil Indian Public Companies 1. Future Retail Limited (Under CIRP) 2. Nitco Limited 3. Haryana Global Limited 4. Marvel Limited Section 8 companies Nil Indian LLPs Nil

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

- Mr. Varun Gupta** is the promoter and Managing Director of our Company. He has been appointed as Managing Director of the Company w.e.f. January 23, 2024. He holds a bachelor's degree in engineering from University of Pune and also did his master's in business administration from Cass Business School, London, United Kingdom. He has an experience of 13 years in Pharmaceutical Industry and Recycle Polymer fibre. He has been associated with our company since 2016 as a director. He leads all marketing functions, creation of brand awareness, customer acquisition through strategic planning and execution. He effectively manages resources and collaborate with stakeholders. His role involved developing medium- and long-term business strategies.
- Mr. Pratik Gupta** is the Promoter and Director of our Company. He has been associated with our company as a director of the Company w.e.f. April 14, 2013. He holds a Bachelor of Engineering (Honours) in Systems Engineering from University of Warwick. He has overall experience of more than 10 years in the Recycled Polymer industry. He is responsible for looking all day-to-day activities and ensuring product standards are maintained and providing direction to the operations team, overseeing all aspects of day-to-day operations of the Company.
- Mr. Manoj Kumar** is the Non-Executive Director of our Company w.e.f. April 01, 2024. He did his diploma in electronics from the Institute of Electronics situated in Solan, Himachal Pradesh. In 2019 he joined Divaydhan Recycling Industries Limited (formerly known as Divaydhan Consultants Private limited) where he was appointed as "Purchase Manager" involving negotiations and dealings with vendor and arranging for supply chain. However, in August 2023, he resigned from the company. Considering his experience and understanding of the recycling and textile industry over these 4 years, our Company appointed Mr. Manoj Kumar as Non-Executive Director of the company w.e.f. April 01, 2024. Also refer Risk Factor 29 under the chapter Risk factor of this Prospectus.
- Mr. Satish Chandra Sharma** is the Independent Director of our Company. He has been appointed as Independent Director w.e.f. February 08, 2024. He is a Qualified Company Secretary. He has more than 12 years of experience in Compliance management. His guidance and expertise will help in ensuring that the company makes sound and strategic business decisions.



5. **Ms. Priyanka Agarwal** is the Independent Director of our Company. She has been appointed as Independent Director w.e.f. February 08, 2024. She is Practicing Company Secretary. She is also as registered valuer for the securities and financial assets. She has overall experience of More than 14 years in the Secretarial compliance, corporate restructuring, valuation etc. Her presence on the board will enhance the credibility of the Company and contribute to the long-term sustainability and success of the company.

Note:

None of the above-mentioned Directors are on the RBI List of willful defaulters as on the date of this Prospectus.

- 1) *None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.*
- 2) *None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.*

FAMILY RELATIONSHIP BETWEEN DIRECTORS

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

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension.

None of our Directors is / was a director in any listed company during the last five years before the date of filing of this Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting.

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

Details of arrangement or understanding with major shareholders, consumers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.

There are no arrangements or understandings with major shareholders, consumers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a director or member of the senior management.

TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

i. Executive Directors

Name	Mr. Varun Gupta
Designation	Managing Director
Period	5 Years
Date of approval of shareholder	January 23, 2024
Remuneration	Rs. 2,00,000/- Per Month
Perquisite	Re-imbursement of travelling, lodging, boarding expenses, all cost and other charges incurred by him in the discharge and execution of his duties as Managing Director.
Name	Mr. Pratik Gupta



Designation	Director
Period	NA
Date of approval of shareholder	January 23, 2024
Remuneration	Rs. 2,00,000/- Per Month
Perquisite	Re-imburement of travelling, lodging, boarding expenses, all cost and other charges incurred by him in the discharge and execution of his duties as Executive Director.

ii. Non-Executive Directors and Independent Director

Our Company will not pay any remuneration to the Independent Directors of our company except the applicable sitting fee and reimbursement of expenses as per the Companies Act, 2013.

The sitting fees of Rs 1,00,000/- per annum shall be paid to the Non-Executive Independent Directors and to Non-Executive Non-Independent Directors as per the terms and conditions mentioned in their letter of appointment.

Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Prospectus:

S. No.	Name of the Directors	No. of Equity Shares held	% of pre-issue paid-up Equity Share capital in our Company
1.	Mr. Pratik Gupta	49,52,816	47.03%
2.	Mr. Varun Gupta	49,52,798	47.03%

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.



Interest in promotion of Our Company

Except Promoter, none of our directors have any interest in the promotion of our Company.

Interest in the property of Our Company

None of our directors are interested in the property of our company. Furthermore, our directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Prospectus. Our directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of Our Company

Save and except as stated otherwise in “Related Party Transaction” in the chapter titled “*Financial Information*” beginning on page number 173 of this Prospectus, our directors do not have any other interests in our Company as on the date of this Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Details of service contracts

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

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

Bonus or profit-sharing plan for the directors

There is no bonus or profit-sharing plan for the Directors of our Company.

Contingent and deferred compensation payable to directors

No Director has received or is entitled to any contingent or deferred compensation.

Other indirect interest

Except as stated in chapter titled “*Financial Information*” beginning on page 173 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our directors.

CHANGES IN THE BOARD FOR THE LAST THREE YEARS

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

Name of Director	Date of Event	Reason for Change
Mr. Varun Gupta	23/01/2024	Change in designation from Director to Managing Director
Ms. Ankita Pratik Gupta	05/01/2024	Appointed as Non-Executive Director
Ms. Nikita Gupta	05/01/2024	Appointed as Non-Executive Director
Mr. Satish Chandra Sharma	08/02/2024	Appointed as Independent Director
Ms. Priyanka Agarwal	08/02/2024	Appointed as Independent Director
Mr. Manoj Kumar	01/04/2024	Appointed as Non-Executive Director
Ms. Ankita Pratik Gupta	01/04/2024	Resigned from the Directorship*



Ms. Nikita Gupta	01/04/2024	Resigned from the Directorship*
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*The reason for the resignation of the Directors mentioned on page 146 of RHP is that the directors could not continue due to some personal and unavoidable circumstances which led them to resign from the directorship in our company.

Management Organizational Structure

For Management Organizational Structure please refer to the chapter titled “Our Business” on page number 120 of this Prospectus.

CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Initial Public Offer Committee

AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated June 01, 2024 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Satish Chandra Sharma	Chairman	Independent Director
Ms. Priyanka Agarwal	Member	Independent Director
Mr. Varun Gupta	Member	Managing Director

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Oversight the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.

- b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 7. Review and monitor the auditor's independence and performance and effectiveness of the audit process.
 8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
 9. Scrutiny of inter-corporate loans and investments.
 10. Valuation of undertakings or assets of the Company, wherever it is necessary.
 11. Evaluation of internal financial controls and risk management systems.
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 14. Discussion with internal auditors on any significant findings and follow up thereon.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
 18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly head of the finance function) to be present at the meetings of the committee, but on the occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of the internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.



5. 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 Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall meet at least four times in a year and more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

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.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on June 01, 2024. As on the date of this Prospectus the Nomination and Remuneration Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Ms. Priyanka Agarwal	Chairman	Independent Director
Mr. Satish Chandra Sharma	Member	Independent Director
Mr. Manoj Kumar	Member	Non-Executive Director Non-Independent

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of the Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria, laid down, and recommend to the Board of Directors their appointment and removal.
5. 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.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at least one independent director.

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.



STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee has been formed by the Board of Directors, at the meeting held on June 01, 2024. As on the date of this Prospectus the Stakeholder's Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Manoj Kumar	Chairman	Non-Executive Non-Independent Director
Mr. Satish Chandra Sharma	Member	Independent Director
Mr. Varun Gupta	Member	Managing Director

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Allotment and listing of our shares in future
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The stakeholder's relationship is required to meet at least once in a year.

Any members of this committee may be removed or replaced at 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.

INITIAL PUBLIC OFFER COMMITTEE

The Initial Public Offer Committee has been formed by the Board of Directors, at the meeting held on June 01, 2024. As on the date of this Prospectus the Initial Public Offer Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Varun Gupta	Chairman	Managing Director
Mr. Pratik Gupta	Member	Executive Director
Mr. Manoj Kumar	Member	Non-Executive Non-Independent Director

The Company Secretary will act as the secretary of the IPO Committee.

The terms of reference of the IPO Committee include the following:

1. Approving amendments to the memorandum of association and the articles of association of the Company;
2. Approving all actions required to dematerialize the Equity Shares, including seeking the admission of the Equity Shares into the Central Depository Services (India) Limited (the "CDSL") and the National Securities Depository Limited (the "NSDL");
3. Finalizing and arranging for the submission of this DRHP, the RHP, the Prospectus and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;



4. Issuing advertisements as it may deem fit and proper in accordance with Applicable Laws;
5. Approving suitable policies, including on insider trading, whistle blower/vigil mechanism, risk management and other corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under Applicable Laws in connection with the Issue;
6. Deciding on the size and all other terms and conditions of the Issue and/or the number of Equity Shares to be offered in the Issue.
7. Opening bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with Applicable Laws;
8. Seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing application to the Stock Exchange and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreement with the Stock Exchanges;
9. Submitting undertaking/certificates or providing clarifications to the Stock Exchanges;
10. Determining the price band and minimum lot size for the purpose of bidding, any revision to the price band and the final Issue price after bid closure;
11. Determining the Bid/Issue opening and closing dates;
12. Executing and delivering any and all documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as the IPO Committee may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Name	:	Mr. Varun Gupta
Designation	:	Managing Director
Education Qualification	:	Bachelor's degree in engineering and Master's In Business Administration
Date of Appointment	:	May 07, 2016
Date of Appointment (Managing Director)	:	January 23, 2024
Term of Office	:	5 Years from January 23, 2024
Expiration of Term	:	22-01-2029
Overall Experience	:	He has an experience of 13 years in Pharmaceutical Industry and Recycle Polymer fibre.
Kindly Current Remuneration	:	Rs. 2,00,000/- per month
Remuneration paid in F.Y. 2023-24)	:	Mr. Varun Gupta has been appointed as Managing Director on 23 January, 2024, he received a remuneration of Rs. 2,00,000 /- per month in financial year 2023-24 in the capacity of Director.
Name	:	Mr. Pratik Gupta



Designation	:	Chief Financial officer
Date of Appointment	:	Appointed as Chief Financial officer on January 23, 2024
Education Qualification	:	Bachelor of Engineering with Honours in System Engineering
Overall Experience	:	He has an experience of around 10 years in Recycled Polymer space.
Current Remuneration	:	Rs. 2,00,000/- per month
Remuneration paid in F.Y. 2023-24)	:	Mr. Pratik Gupta has been appointed as Chief Financial officer on 23/01/2024, he received a remuneration of Rs. 1,00,000 /- per month in financial year 2023-24 in the capacity of CFO and Director.
Name	:	Mr. Pramod Kumar Gupta
Designation	:	Company Secretary & Compliance Officer
Date of Appointment	:	Pramod Kumar Gupta
Education Qualification	:	Company Secretary and is a PhD holder
Overall Experience	:	40 years in finance and textile industry
Current Remuneration	:	Rs. 50,000/- per month
Remuneration paid in F.Y. 2023-24)	:	Mr. Pramod Kumar Gupta was appointed as Company Secretary & Compliance Officer on 15/12/2023, therefore Rs. 50,000/- per month remuneration has been received by him in the financial year 2023-24.

Notes:

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, consumers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

FAMILY RELATIONSHIP BETWEEN KMP

Except as stated herein below, None of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

S No.	Name of Key Managerial Person	Designation	Relationship
1.	Mr. Pratik Gupta	Chief Financial officer	Son of Pramod Kumar Gupta
2.	Mr. Pramod Kumar Gupta	Company Secretary	Father of Pratik Gupta

BONUS AND/ OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except the following, none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Prospectus:



S. No	Name of the KMP	Designation	No. of Equity Shares held	% of pre-issue paid-up Share capital
1.	Mr. Varun Gupta	Managing Director	49,52,798	47.03%
2.	Mr. Pratik Gupta	Chief Financial Officer	49,52,816	47.03%

INTEREST OF KEY MANAGERIAL PERSONNEL

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS

Following have been the changes in the Key Managerial Personnel (KMP) during the last three years:

Sr. No.	Name of KMP	Date of Event	Reason for Change
1.	Mr. Pramod Kumar Gupta	15/12/2023	Appointed as company Secretary and compliance officer
2.	Mr. Varun Gupta	23/01/2024	Change in designation from director to Managing Director
3.	Mr. Pratik Gupta	23/01/2024	Appointed as Chief Financial officer of the Company

Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

SCHEME OF EMPLOYEE STOCK OPTIONS OR EMPLOYEE STOCK PURCHASE

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as provided in restated financial statement in the chapter “*Financial Information*” beginning on page no 173 of the Prospectus, there are no loans outstanding against the key managerial personnel as on the date of this Prospectus.

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 173 and 120 respectively of this Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/give such benefit to any officer as on the date of this Prospectus.

RETIREMENT BENEFITS

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

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OUR PROMOTERS

The Promoters of our Company are:


S. No.	Name	Category	No. of Shares
1.	Mr. Pratik Gupta	Individual	49,52,816
2.	Mr. Varun Gupta	Individual	49,52,798

For details of the build-up of our promoters' shareholding in our Company, see section titled "Capital Structure" beginning on page 56 of this Prospectus.

Brief Profile of Our Promoters is as under:

	<p>Mr. Varun Gupta is the promoter and Managing Director of our Company. He has been appointed as Managing Director of the Company w.e.f. January 23, 2024. He holds a bachelor's degree in engineering from University of Pune and also did his master's in business administration from Cass Business School, London, United Kingdom. He has an experience of 13 years in Pharmaceutical Industry and Recycle Polymer fibre. He has been associated with our company since 2016 as a director. He leads all marketing functions, creation of brand awareness, customer acquisition through strategic planning and execution. He effectively manages resources and collaborate with stakeholders. His role involved developing medium- and long-term business strategies.</p>
Name	Mr. Varun Gupta
Age	35 Years
Date of Birth	28-06-1988
PAN	AKIPG7734K
Address	B-1703, Omaxe Forest SPA, Noida Sector 93B, Gautam Buddha Nagar, Uttar Pradesh- 201301
Occupation	Business
Experience	He has an experience of around 13 years in the Pharmaceutical Industry and Recycle Polymer fibre.
No. of Equity Shares & % Of Shareholding (Pre-Issue)	49,52,798 Equity Shares (47.03% of the Pre -issue shareholding)
Directorship & Other Ventures	<p>Indian Private Companies:</p> <ol style="list-style-type: none"> 1. YMC India Private Limited 2. Amama Jewels Private Limited 3. Del-Tech Instruments Private Limited 4. Santai India Private Limited <p>Indian Public Companies: NIL</p> <p>Section 8 Companies: NIL</p> <p>Indian LLPs: NIL</p>



	<p>Mr. Pratik Gupta is the Promoter and Director of our Company. He has been associated with our company as a director of the Company w.e.f. April 14, 2013. He holds a Bachelor of Engineering (Honours) in Systems Engineering from University of Warwick. He has overall experience of more than 10 years in the Recycled Polymer industry. He is responsible for looking all day-to-day activities and ensuring product standards are maintained and providing direction to the operations team, overseeing all aspects of day-to-day operations of the Company.</p>
Name	Mr. Pratik Gupta
Age	35 Years
Date of Birth	10/06/1988
PAN	ALMPG3000F
Address	1901, Evita, Hiranandani Gardens, Powai, Mumbai, Maharashtra- 400076
Occupation	Business
Experience	Around 10 Years
No. of Equity Shares & % Of Shareholding (Pre-Issue)	49,52,816 Equity Shares (47.03% of the Pre -issue shareholding)
Directorship & Other Ventures	<p>Indian Private Companies:</p> <ol style="list-style-type: none"> 1. Vinpro Recycletech Private Limited 2. Associated Textile Industries Private Limited 3. Yashash Commodities Private Limited 4. Lashkari developers pvt. Ltd <p>Indian Public Companies:</p> <ol style="list-style-type: none"> 1. Proma Industries Limited 2. Medilia Limited <p>Section 8 Companies: NIL</p> <p>Indian LLPs: NIL</p>

Relationship of Promoters with our Directors

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.

OTHER UNDERTAKINGS AND CONFIRMATIONS

- Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Prospectus.
- Our Promoters have confirmed that they have not been identified as wilful defaulters.
- No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.



INTEREST OF PROMOTERS

Interest in promotion of Our Company

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and having significant control over the management and influencing policy decisions of our Company.

Interest in the property of Our Company

Except as disclosed in the financial statement as restated, none of our promoters is interested in the property of our company. Furthermore, our promoters have no interest in any property acquired by our Company neither in the preceding two years from the date of this Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Prospectus. Our Promoters also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest as member of Our Company

Our Promoters hold 99,05,614 Equity Shares aggregating to 94.06% of pre-issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and benefits provided to Mr. Pratik Gupta and Mr. Varun Gupta given in the chapter titled –*Our Management* beginning on page number 146 of this Prospectus, our Promoters hold no other interest in our Company.

Interest as Director of our Company

Except as stated in the “*Related Party Transactions*” in the chapter financial statement as restated on page number 173 of the Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

Other Ventures of our Promoters

Save and except as disclosed in the chapters titled “*Our Group Entities*” beginning on page 164 of the Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

Change in the control of Our Company

Our Current Promoters are not the original promoters of our Company. The business has been acquired through the Share transfer deed entered between Prakash Padmanabh Pillai and Padmanabh Gopal Pillai (Sellers or Transferors) and Pratik Gupta and Ritika Gupta (Buyers or Transferees) dated April 14, 2013. For details regarding shareholding of our promoters, please refer to chapter titled “*Our Promoters*” of this Prospectus.

Litigation involving our Promoters.

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 217 of this Prospectus.



Payment of benefits to our Promoters and Promoter Group during the last two years

Save and except as disclosed under "*Statement of Related Party Transactions*", as Restated appearing in chapter "*Financial Information*" beginning on page number 173 of the Prospectus, there has been no Payment or benefit to promoters during the two (2) years preceding the date of filing of this Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Prospectus.

Other Confirmations

As on the date of this Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Prospectus, except as disclosed under chapter titled "*Outstanding Litigation and Material Developments*" beginning on page 217 of this Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

Guarantees

Except as stated in the section titled "*Financial Statements*" beginning on page 173 of this Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Prospectus.

Related Party Transactions

For details of related party transactions entered into by our Company, please refer to "*Statement of Related Party Transactions*", as Restated appearing in the section titled "*Financial Statements*" beginning on page 173 of the Prospectus.

Information of our group companies

For details related to our group companies please refer "Our Group Entities" on page no. 164 of this Prospectus.

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OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under

A. Natural Persons who form part of our 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	Mr. Pratik Gupta	Mr. Varun Gupta
Father	Dr. Pramod Kumar Gupta	Dr. Vinod Kumar Gupta
Mother	Mamta Gupta	Kusum Gupta
Spouse	Ankita Gupta	Nikita Gupta
Brothers	Akshay Gupta	N.A.
Sister	N.A.	Shivani Gupta Himani Gupta
Son	Aarav Gupta Vyaan Gupta	Aviraaj Navay Gupta Swaraj Navay Gupta
Daughters	N.A.	N.A.
Spouse Father	Navin Jain	Subodh Jain
Spouse Mother	Alka Jain	Anita Jain
Spouse Brother	Sarthak Jain	Siddharta Jain
Spouse Sister	N.A.	N.A.

B. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:

Particulars	Entity
Any body 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. Amama Jewels Private Limited 2. Associated Textile Industries Private Limited 3. Del-Tech Instruments Private Limited 4. Lashkari Developers Pvt. Ltd 5. Proma Industries Limited 6. Vinpro Recycletech Private Limited 7. Yashash Commodities Private Limited 8. YMC India Private Limited 9. Sonpankhi Shares and Securities Private Limited 10. Shivam Syncotex Private Limited 11. Nibha Capital Services Private Limited 12. Santai India Private Limited
Any body corporate in which a body corporate (mentioned above) holds 20% of the total holding	1. Nibha Capital Services Private Limited
Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital	NA

COMMON PURSUITS OF OUR PROMOTERS

Some of our promoter Group entities have business objects similar to our business. If any conflict of interest arises it may have an adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.



OUR GROUP ENTITIES

As per the Regulation 2 (t) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and on the basis of Accounting Standard (AS) 21 (Consolidated Financial Statements) below mention are the details of Companies / Entities are the part of our group entities. No equity shares of our group entities are listed on any of the stock exchange, and they have not made any public or rights issue of securities in the preceding three years.

A. The Group Companies of our Company are as follows:

1. Associated Textile Industries Private Limited
2. Proma Industries Limited
3. Yashash Commodities Private Limited
4. Sonpankhi Shares and Securities Private Limited

The details of our Group entities are provided as follows:

1. Associated Textile Industries Private Limited

Corporate Information

Name	Associated Textile Industries Private Limited
CIN	U17200MH2002PTC135575
Date of Registration	18/04/2002
Registered office	1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Mumbai, Maharashtra, India, 400072

Main Object of the Company

1. To manufacture, produce, dye, print, calendar, tailor, cut, size, wash, purify, bleach, texturise, spine, twist, crimp, double, knit, reel, weave, import, export, buy, sell, market, pack, buying agent, selling agent, stockists, distributors, brokers, traders, agents of and deal with all kinds, types, sizes of sarees, textiles, cotton, jute, silk, rayon, man made fabrics, fibres, synthetics, woollen, yarn, threads, garments, hosiery, rexin cloth, dress materials, suiting, shirtings, furnishing materials, nylon, polyester, Art silk, imitation cloth, tailoring materials, canvas fabrics, tyre cord, other textile materials.

Board of Directors

The Directors of Associated Textile Industries Private Limited as on the date of this Prospectus are as follows:

S. No.	Name of the Directors	Designation
1.	Pramod Kumar Gupta	Director
2.	Pratik Gupta	Director

Shareholding Pattern

The shareholding pattern of Associated Textile Industries Private Limited as on the date of this Prospectus are as follows:

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1.	Pratik Gupta	9,67,198	80.96%
2.	Proma Industries Limited	2,27,517	19.04%
Total		11,94,715	100.00%



Financial Performance

Certain details of the financials of Associated Textile Industries Private Limited are set forth below:

(Amount in Lakhs)

Particulars	FY 2022-23	FY 2021-22	FY 2020-21
Total Income	15.88	14.63	12.20
Net Profit/ (Loss)	7.94	8.73	6.21
Share Capital	119.47	119.47	119.47
Reserve and Surplus	14.62	6.68	-2.05
Net Worth	134.09	126.15	117.42
NAV per shares (in rupees)	11.22	10.56	9.83
Earnings Per Share (EPS) (Basic & Diluted) (in rupees)	0.66	0.73	0.52
No. of Equity Shares of Rs. 10/- each (in numbers)	11,94,715	11,94,715	11,94,715

2. Proma Industries Limited

Corporate Information

Name	Proma Industries Limited
CIN	U51101RJ1990PLC005581
Date of Registration	10/09/1990
Registered office	C-62, Sarojini Marg C-Scheme, Jaipur, Rajasthan, India, 302001

Main Object of the Company

1. To carry on the business of trading, purchasing, storing, marketing, selling, distributing, importing, exporting, warehousing, pressing, caretaking, jobbing and dealing in all kinds of marketable items and all sorts of their products, spares, accessories and material on retail basis as well as wholesale basis.
2. To carry on the business of sales promotion agents, brokers, product and market research organisers, consultants exhibitors, advertising agents, press etc. for any Indian or Foreign organisation and to work or promote any media of publicity, marketing and to render any other service required for distributing, procuring, selling, and fund raising and allied activities of any national or international organisation.
3. To carry on the business of trading, dealing, importing, exporting spinning, weaving, processing, designing, fabricating, printing, decorating and acting as sales promotion agents and/or brokers, stockists, managers caretakers and vendors etc. of all kinds of man made fibres, cellulosic fibre non cellulosic fibre, mineral fibre, man made filament yarn, texturised yarn, cellulosic spun yarn, nylon yarn, cotton yarn, wool yarn, Icrylic yarn, jute yarn, silk yarn, flex yarn, polyester yarn staple fibre yarn, tereline yarn, viscose yarn, worsted yarn, ramie yarn, and fabric made there of ready to wear apparels, coverings, coated fabrics, textiles, hoisery, decorative items and all other products of allied nature and all sorts of products and by-products made thereof.

Board of Directors

The Directors of Proma Industries Limited as on the date of this Prospectus are as follows:

S. No.	Name of the Directors	Designation
1.	Pratik Gupta	Director
2.	Pramod Kumar Gupta	Director
3.	Akshay Pramod Gupta	Director

Shareholding Pattern

The shareholding pattern of Proma Industries Limited as on the date of this Prospectus are as follows:



Equity Shares

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1.	Pratik Gupta	2,766	03.90%
2.	Pramod Kumar Gupta	47,078	66.44%
3.	Mamta Gupta	15,870	22.40%
4.	Ram Kumar Gupta	5,146	07.26%
5.	Akshay Pramod Gupta	01	Negligible
6.	Pramod Kumar Gupta HUF	01	Negligible
7.	Ankita Pratik Gupta	01	Negligible
Total		70,863	100.00%

Preference Shares

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1.	Kores India Ltd.	5,000	15.94%
2.	Omprakash M Sharma	750	2.39%
3.	Bhavesh Shamia	100	0.32%
4.	Satish P Sharma	1,300	4.14%
5.	Satish P Sharma HUF	500	1.59%
6.	Rajani R Sharma	100	0.32%
7.	Pradeep B Agarwal	1,250	3.98%
8.	Usha Om Sharma	500	1.59%
9.	Niranjan S Vyas	500	1.59%
10.	Niranjan S Vyas HUF	500	1.59%
11.	Ratendra T Mishra	500	1.59%
12.	Bharat Sharma	500	1.59%
13.	Satish R Sharma HUF	500	1.59%
14.	Chamlidin Sharma	500	1.59%
15.	Menka S Sharma	500	1.59%
16.	Amarnath M Sharma HUF	1,000	3.19%
17.	Rajendra T Mishra HUF	500	1.59%
18.	Vimla P Tiwari	500	1.59%
19.	Radha Chemical Pvt Ltd	1,000	3.19%
20.	Neelkanth Goods Pvt Ltd	500	1.59%
21.	Amarnath Sharma	250	0.80%
22.	Bhagirathi The up Pvt Ltd.	2,000	6.37%
23.	Inox Trade Pvt Ltd	1,000	3.19%
24.	Juhi Agencies Pvt Ltd	2,300	7.33%
25.	Lovely Commercial Pvt Ltd	500	1.59%
26.	Novelty Agencies Pvt Ltd	2,200	7.01%
27.	Parijat Tie up Pvt Ltd	800	2.55%
28.	Rajanigandha Distribution Pvt Ltd	500	1.59%
29.	Rishiraj Niramal Chauhan	1,500	4.78%
30.	Sonal Cosmetics Exports Pvt Ltd	300	0.96%
31.	Sonal Sil Chemical Ltd	500	1.59%
32.	Subodh Corporation (Omprakash M Skarma)	1,025	3.27%
33.	Suvidha Securities Pvt Ltd.	500	1.59%
34.	Kanchan Bala Chauhan	1,500	4.78%
Total		31,375	100.00



Financial Performance

Certain details of the financials of Proma Industries Limited are set forth below:

(Amount in Lakhs)

Particulars	FY 2022-23	FY 2021-22	FY 2020-21
Total Income	6,690.50	5,792.24	2,962.87
Net Profit/ (Loss)	75.79	341.91	33.06
Share Capital	102.24	102.24	102.24
Reserve and Surplus	2,070.22	2,016.08	1,684.71
Net Worth	2,172.46	2,118.32	1,786.95
NAV per shares (in rupees)	3065.72	2989.32	2521.70
Earnings Per Share (EPS)	106.96	482.49	46.55
No. of Equity Shares of Rs. 100/- each (in numbers)	70,863	70,863	70,863

3. Yashash Commodities Private Limited

Corporate Information

Name	Yashash Commodities Private Limited
CIN	U22209GJ1998PTC033741
Date of Registration	24/02/1998
Registered office	Manish Niharika Parkkhanpur Road, Ahmedabad, Gujarat – 380001, India

Main Object of the Company

1. To carry on the business as manufacturers, producers, processors, bleachers, dyers, ginners, spinners, importers, exporters, buyers, sellers of and dealers in all kinds of yarns and fibers, whether synthetic, artificial silk, linen, cotton, wool, jute and any other fibers or fibrous materials, allied products, by products, and substitutes for all or any of them, wool combers, worsted spinners, woolen spinners and to treat and utilize any waste arising from any such manufacture, production or process.
2. To carry on business of trading, broking, hedging in goods, commodities, agricultural products, metals, stones, petroleum, energy products and other commodities, goods and securities, in spot markets and in futures and all kinds of derivatives of all the above commodities and securities and to act as brokers, finance brokers, sub brokers, market makers, dealers, buyers, sellers traders arbitrators, investor's and/ or hedgers, underwriters, providers of service and to become members and participate in trading, settlement and other activities of commodity exchange/s including national multi-commodity exchange/s facilitating for itself or for clients, trades end clearing / settlement of trades in spots, In futures and in derivatives of all the above commodities permitted under the laws of India.

Board of Directors

The Directors of Yashash Commodities Private Limited as on the date of this Prospectus are as follows:

S. No.	Name of the Directors	Designation
1.	Pratik Pramod Gupta	Director
2.	Akshay Pramod Gupta	Director



Shareholding Pattern

The shareholding pattern of Yashash Commodities Private Limited as on the date of this Prospectus are as follows:

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1.	Ankita Gupta	19,93,990	39.88%
2.	Pratik Gupta	18,78,010	37.56%
3.	Associated Textiles Industries Private Limited	8,50,000	17.00%
4.	Proma Industries Limited	2,78,000	5.56%
Total		50,00,000	100.00%

Financial Performance

Certain details of the financials of Yashash Commodities Private Limited are set forth below:

(Amount in Lakhs)

Particulars	FY 2022-23	FY 2021-22	FY 2020-21
Total Income	4,115.95	4,337.38	2,130.58
Net Profit/ (Loss)	42.99	40.26	17.60
Share Capital	350.00	100.00	100.00
Reserve and Surplus	143.80	100.82	60.55
Net Worth	493.80	200.82	160.55
NAV per shares (in rupees)	14.109	20.082	16.055
Earnings Per Share (EPS) (Basic & diluted)	4.30	4.03	1.76
No. of Equity Shares of Rs. 10/- each (in numbers)	35.00	10.00	10.00

Note: The figures mentioned in the above table are in lakhs except Earnings Per Share (EPS) (Basic & diluted) and NAV per shares (in rupees).

4. Sonpankhi Shares and Securities Private Limited

Corporate Information

Name	Sonpankhi Shares and Securities Private Limited
CIN	U17120MH1994PTC079178
Date of Registration	24/06/1994
Registered office	1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Mumbai, Maharashtra, India, 400072.

Main Object of the Company

1. To spin, make produce and process, bleach, dye, print, weave, tuft, and finish all kinds of fibres yarns, and fabrics made from whether natural, synthetic or manmade.
2. To carry on anywhere in India or abroad the business of importers, exporters, manufacturers of and dealers in staple fibres, yarns, fabrics, garments of all kinds and nature manufactured out of cotton, wool, silk flax, polyester, vislose, nylon, acrylic, polypropylene and all other kinds of natural synthetic materials.

Board of Directors

The Directors of Sonpankhi Shares and Securities Private Limited as on the date of this Prospectus are as follows:



S. No.	Name of the Directors	Designation
1.	Pramod Kumar Gupta	Director
2.	Akshay Pramod Gupta	Director

Shareholding Pattern

The shareholding pattern of Sonpankhi Shares and Securities Private Limited as on the date of this Prospectus are as follows:

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1.	Pramod Kumar Gupta	22,970	7.07%
2.	Akshay Pramod Gupta	3,02,031	92.93%
Total		3,25,001	100.00%

Financial Performance

Certain details of the consolidated financials of Sonpankhi Shares and Securities Private Limited are set forth below:

Particulars	<i>(Amount in Lakhs)</i>		
	FY 2022-23	FY 2021-22	FY 2020-21
Total Income	4.04	7.98	2.66
Net Profit/ (Loss)	0.49	0.70	0.63
Share Capital	325.00	325.00	325.00
Reserve and Surplus	74.90	74.41	73.71
Net Worth	399.90	399.41	398.71
NAV per shares (in rupees)	123.04	122.89	122.68
Earnings Per Share (EPS) (Basic & Diluted) (in rupees)	-	0.06	0.19
No. of Equity Shares of Rs. 100/- each (in numbers)	3.25	3.25	3.25

Note: The figures mentioned in the above table are in lakhs except Earnings Per Share (EPS) (Basic & diluted) and NAV per shares (in rupees).

DECLARATIONS

- None of the entities in the Promoter Group Companies is restrained by any SEBI Order or have ever become defunct.
- None of the entities in the Promoter Group Companies is listed at any Stock Exchange nor have such entities made any public issue or right issue in the preceding three years.
- None of the entities in the Promoter Group Companies has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up or liquidation.

LITIGATIONS

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled “Outstanding Litigations and Material Developments” on page 217 of the Prospectus.

DEFUNCT GROUP COMPANIES

There are no defunct Group Companies of our Company as on the date of this Prospectus.



UNDERTAKING / CONFIRMATIONS

Our Promoters and Group Companies confirm that they have not been declared as a willful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group Companies or persons in control of the Promoters has been:

- i) Prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority; or
- ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of the Promoters is or has 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.

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

None of our promoters have disassociated themselves from the any entities/firms during the preceding three years.

OTHER DETAILS OF GROUP COMPANIES/ENTITIES:

- 1. There are no defaults in meeting any statutory/ bank/ institutional dues.
- 2. No proceedings have been initiated for economic offences against our Group Companies/Entities.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified chapter titled “Financial Information” and, “Related Party Transaction” on page 173 of this Prospectus.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Prospectus with Stock Exchange

Except as disclosed in the financial statements as restated, Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing this Prospectus with Stock Exchange.

(c) In transactions for acquisition of land, construction of building and supply of machinery

Except as disclosed in the financial statements as restated, None of our Group Companies is interested in any transactions for the acquisition of land, construction of buildings or supply of machinery.

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RELATED PARTY TRANSACTION

For details on related party transactions of our Company, please refer to the Restated Financial Statements beginning on page 173 of this Prospectus.

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DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

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SECTION VI – FINANCIAL INFORMATION

FINANCIAL STATEMENT AS RESTATED

Independent Auditor's Examination Report on Restated Financial Information of Divyadhan Recycling Industries Limited

To,
The Board of Directors
Divyadhan Recycling Industries Limited
(formerly Divyadhan Recycling Industries Pvt Limited)
1803, Lodha Supremus, Saki Vihar Road,
Opp. Telephone Exchange, Powai,
Mumbai City, Mumbai,
Maharashtra, India, 400072

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of **Divyadhan Recycling Industries Limited (formerly Divyadhan Recycling Industries Pvt Limited)**

1. We have examined the attached Restated Financial Statement of **DIVYADHAN RECYCLING INDUSTRIES LIMITED (FORMERLY KNOWN AS DIVYADHAN RECYCLING INDUSTRIES PVT LIMITED)** (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the Period/year ended March 31, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, the statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Statement) as approved by the Board of Directors in their meeting held on 1st June, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") or Red Herring Prospects ("RHP") or Prospectus (collectively mentioned here as "Offer Document") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its SME IPO in terms of the requirement of:-
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statement for the purpose of inclusion in the Offer Document to be filed with the relevant Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, of NCT of Delhi and Haryana in connection with the proposed SME IPO. The Restated Financial Statements have been extracted and prepared by the management of the Company for the period/year ended March 31, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, on the basis of Notes to restatement in Notes 2 to 41 to the Restated Financial Statement. The Board of Directors responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Statement taking into consideration:



- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 30th January, 2024 in connection with the proposed IPO of equity shares of the Company;
 - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. This Restated Financial Statements have been compiled by the management from the Audited financial statements of the company as at and for the period/year ended March 31, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India and have been approved by the Board of Directors of the company.
 5. Auditor Report year ended March 31, 2021, March 31, 2022, March 31, 2023 and March 31, 2024 audited by Amarnath Sharma & Co, Kishan Agrawal & Associates, Kishan Agrawal & Associates, Amarnath Sharma & Co vide report dated November 30, 2021, September 09, 2022, September 01, 2023 & September 07, 2024 respectively.
 6. The adjustments in restated financials were carried out based on the reports issued by the predecessor statutory auditors for the period/years ended March 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021.
 - a) The Restated Financial Statement have been made after incorporating adjustments for the changes in accounting policies and also add line-Material errors, reclassification, regrouping retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
 - b) The Restated Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;
 - c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
 - d) Do not require any adjustment for modification as there is no modification in the underlying audit reports.
 - e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices as set out in Note 1 to this report;
 - f) Adjustments in Restated Financial Statement have been made in accordance with the correct accounting policies;
 - g) There was no change in accounting policies except bonus policy (previously bonus was recorded on cash basis and now it has been booked on accrual basis), which needs to be adjusted in the Restated Financial Statement;
 - h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial

Statement;

- i) The Company has not paid any dividend during FY 2020-21, FY 2021-22, FY 2022-23 & FY 2023-24.

7. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that-

- a) The “Restated Statement of Assets and Liabilities” of the Company as at March 31, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies as set out in Note 1 to this Report.
- b) The “Restated Statement of Profit and Loss” of the Company for Financial period/year ended March 31, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies as set out in Note 1 to this Report.
- c) The “Restated Statement of Cash Flow” of the Company for Financial period/year ended March 31, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies as set out in Note 1 to this Report.

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 Financial period/year ended March 31, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, proposed to be included in the Offer Document for the proposed IPO.

Significant Accounting Policy and Notes to The Restated Financial Statements	Note 1
Restated Statement of Share Capital	Note 2
Restated Statement of Reserves and Surplus	Note 3
Restated Statement of Long-Term Borrowing	Note 4
Restated Statement of Deferred Tax (Assets) / Liabilities	Note 5
Restated Statement of Short-Term Borrowing	Note 7
Restated Statement of Trade Payables	Note 8
Restated Statement of Other Current Liabilities	Note 9
Restated Statement of Long-Term and Short-Term Provisions	Note 6 & 10
Restated Statement of Property, Plant and Equipment and Intangible Assets	Note 11
Restated Statement of Inventories	Note 12
Restated Statement of Trade Receivables	Note 13
Restated Statement of Cash & Cash Equivalents	Note 14
Restated Statement of Short-Term Loans and Advances	Note 15
Restated Statement of Other Current Assets	Note 16
Restated Statement of Revenue from Operations	Note 17
Restated Statement of Other Income	Note 18
Restated Statement of Cost of Material Consumed	Note 19
Restated Statement of Changes in Inventories	Note 20
Restated Statement of Employee Benefits Expenses	Note 21
Restated Statement of Finance Cost	Note 22
Restated Statement of Other Expenses	Note 23



Restated Statement of Depreciation & Amortization	Note 11
Restated Statement of Earnings Per Share	Note 24
Material Adjustments to the Restated Financial Statement	Note 32,33 & 34
Restated Statement of Contingent Liability	Note 37
Restated Statement of Capitalization	Note 38
Restated Disclosure under AS-19 Operating Lease Agreement	Note 40
Restated Disclosure under AS-15 Employee Benefits	Note 41
Restated Statement of Related Party Transaction	Note 29
Restated Disclosure under AS-17 Segment Reporting	Note 39
Other Notes	Note 25, 26, 27, 28, 31,35 & 36
Restated Statement of Significant Accounting & Financial Ratios	Note 30

In our opinion and to the best of information and explanation provided to us, the Restated Financial Statement of the Company, read with significant accounting policies as appearing in Note 1 are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, M/s. K R A & Co, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer Review Certificate is valid as on the date of signing of this report.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

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 any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above Financial Statements along with Notes 2 to 41 of this report read with the respective Significant Accounting Policies as set out in Note 1 is prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note issued by ICAI.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For K R A & CO.
Chartered Accountant
FRN: 020266N

Sd/-
(CA. Rajat Goyal)
Partner
M. No.: 503150
Place: Delhi
Date: 10/09/2024
UDIN: 24503150BKAMCH3921

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amt. In Lakhs)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	2	526.54	500.00	500.00
(i) Share Application Money				
(b) Reserves and surplus	3	764.49	353.23	137.05
(c) Money received against share warrants				
2 Share application money pending against allotment				
3 Non-current liabilities				
(a) Long-term Borrowings	4	48.08	247.51	460.25
(b) Deferred Tax Liability (Net)	5	26.39	30.68	33.88
(c) Other Long-term liabilities				
(d) Long-Term Provisions	6	11.40	11.86	8.75
4 Current liabilities				
(a) Short-Term Borrowings	7	558.56	298.04	339.51
(b) Trade payables	8			
(i) Total Outstanding dues of Micro and Small Enterprises and		188.81	27.49	25.51
(ii) Total Outstanding dues other than Micro and Small Enterprises		130.36	312.43	195.26
(c) Other current liabilities	9	71.33	78.28	65.46
(d) Short-Term Provisions	10	86.14	79.12	2.08
TOTAL		2412.11	1938.64	1767.74
II ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment and Intangible assets	11			
(i) Property, Plant and Equipment		1229.79	1187.80	1205.24
(ii) Intangible Assets				
2 Current assets				
(a) Current Investments		-	-	-
(b) Inventories	12	452.77	485.49	211.47
(c) Trade receivables	13	340.46	196.10	197.74
(d) Cash and cash equivalents	14	200.50	0.65	1.34
(e) Short-term loans and advances	15	19.40	7.09	6.55
(f) Other Current Assets	16	169.19	61.51	145.40
TOTAL		2412.11	1938.64	1767.74

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FINANCIAL STATEMENT OF PROFIT & LOSS AS RESTATED

(Amt in Lakhs)

Particulars	Note No	For the Period ending 31 st March 2024	For the Period ending 31 st March 2023	For the Period ending 31 st March 2022
I. Revenue from operations	17	5612.99	5733.83	5777.70
II. Other Income	18	299.89	81.69	203.82
III Total Income (I+II)		5912.88	5815.51	5981.52
IV Expenses:				
Cost of Material Consumed	19	5064.94	5099.93	5490.84
Change in Inventory (Finished goods/WIP)	20	22.50	(2.89)	(8.71)
Employee benefit expense	21	90.16	96.52	85.52
Financial costs	22	64.61	56.33	75.69
Depreciation and amortization expense	11	176.18	150.27	141.69
Other expenses	23	165.09	115.28	124.22
Total Expenses		5583.48	5515.45	5909.26
VI Exceptional Items				
VII Profit before extraordinary items and tax		329.39	300.07	72.26
VIII Extraordinary Items				
IX. Profit before tax (VII-VIII)		329.39	300.07	72.26
X. CSR Expense				
Contribution for CSR		-	-	-
X. Tax expense:				
(I) Current tax		95.89	87.08	17.45
(II) Deferred tax		(4.29)	(3.19)	1.31
(III) MAT credit		-	-	0.58
(III) Last year excess provision Written Back		-	-	-
XI. PROFIT/(LOSS)FROM THE PERIOD FROM CONTINUING OPERATIONS		237.80	216.18	52.91
XII. Profit/ (Loss) from discontinuing operations		-	-	-
XIII. Tax expense of discounting operations		-	-	-
XIV. Profit/(Loss) from Discontinuing operations		-	-	-
XV. Profit/ (Loss) for the period (XI + XIV)		237.80	216.18	52.91
XVI. Earning per equity share:				
(I) Basic	26	2.41	2.20	0.54
(II) Diluted		2.41	2.20	0.54

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STATEMENT OF CASH FLOW AS RESTATED

(Amt in Lakhs)

	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
A.	Cash flow from operating activities			
	Net profit before tax and after prior period item	329.39	300.07	72.26
	Adjustments for:			
	Depreciation	176.18	150.27	141.69
	Interest Income	(0.55)	(0.59)	(0.84)
	Finance costs	64.61	56.33	75.69
	Operating profit before working capital changes	569.63	506.08	288.81
	Adjustments for:			
	(Increase) / decrease in current investments		-	-
	(Increase) / decrease in inventories	32.71	(274.02)	292.55
	(Increase) / decrease in trade receivables	(144.36)	1.65	2.67
	(Increase) / decrease in trade advances	(12.31)	(0.54)	17.86
	(Increase) / decrease in other current assets	(107.68)	83.89	(65.98)
	Increase / (decrease) in trade payables	(20.75)	119.15	(72.00)
	Increase / (decrease) in other current liabilities	(6.95)	12.83	(65.69)
	Increase / (decrease) in long term provisions	(0.45)	3.11	1.27
	Increase / (decrease) in short term provisions	7.02	77.04	2.06
	Cash generated from operations	316.87	529.18	401.55
	Income taxes paid/ Refund Received	(95.89)	(87.08)	(18.04)
	Net cash provided / (used) by operating activities (A)	220.98	442.10	383.51
B.	Cash flows from investing activities			
	Purchase or construction of fixed assets and capital advances	(218.17)	(132.83)	(75.03)
	Maturity/ redemption of bank deposits (having original maturity of more than 3 months)			
	Investment in Arbitrage Fund			
	Proceeds from sale of fixed assets			-
	Interest received	0.55	0.59	0.84
	Net cash provided / (used) by investing activities (B)	(217.62)	(132.24)	(74.19)
C.	Cash flow from financing activities			
	Finance costs paid	(64.61)	(56.33)	(75.69)
	Proceeds from Subsidy Received			
	Proceeds from issue of share capital	200.00		
	Proceeds/ Repayment from borrowings	61.09	(254.21)	(233.30)
	Net cash provided / (used) by financing activities (C.)	196.48	(310.54)	(308.99)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	199.84	(0.68)	0.33
	Cash and cash equivalents at the beginning of period	0.65	1.34	1.01
	Cash and cash equivalents at the end of period	200.50	0.65	1.34

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NOTE: 1

Corporate information

1. Basis of Preparation of financial statements (Significant Accounting Policies & other explanatory Notes)

1.01 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous years.

1.02 Current and non-current classification

The company presents assets and liabilities in the balance sheet based on current and Non-current classification.

An asset is classified as current when it is-

Expected to be realised or intended to be sold or consumed in normal operating cycle;

Held primarily for the purpose of trading;

Expected to be realised within twelve months after the reporting period, or

Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when-

It is expected to be settled in normal operating cycle;

It is held primarily for the purpose of trading;

It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The company has ascertained 12 months as its operating cycle.

1.03 Use of estimates

The preparation of financial statements are in conformity with the Accounting Standards which requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as on the date of balance sheet and the reported amount of revenues and expenditures during the reporting period. The estimates and assumptions used in the Financial Statements are based upon Management's best evaluation of the relevant facts and circumstances as of the date of the Financial Statements. Examples of such estimates include useful life of fixed assets, creation of deferred tax asset, lease rentals and write off of deferred revenue expenditure. Actual results may differ from those estimates.

1.04 Inventories

Inventories are valued at cost after providing for obsolescence and other losses, where considered necessary and realizable value whichever is less. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

1.05 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term investments with an original maturity of three months or less if any. Earmarked balances with bank, margin money or security against borrowings, guarantees and other commitments, if any shall be treated separately from cash and cash equivalent

1.06 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.07 Depreciation and amortisation

Depreciation has been provided as per the useful life of the respective asset by retaining 5% as residual value in accordance with the Schedule II to the Companies Act, 2013. Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are acquired/installed. Depreciation on sale/deduction from fixed assets is provided for upto the date of sale, deduction and discardment as the case may be.

1.08 Revenue recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax, value added tax and GST. The company follows the mercantile system of accounting and recognizes the income and expenditures on accrual basis except in case of significant uncertainties. Certain items of income such as insurance claim, market fees refund, overdue interest from customers etc have been considered to the extent the amount is accepted by the parties

Domestic sales are recognized at the point of dispatches to customers. Export Sales at the time of issue of Bill of Lading.

1.09 Other income

Interest income is recognised on time proportion basis.

1.10 Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, including borrowing cost till commencement of commercial production, net changes on foreign exchange contracts, (if capitalization criteria are met). Capital work in progress is stated at cost. Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use, as on the balance sheet date.

1.11 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.



1.12 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

1.13 Government grants, subsidies and export incentives

Export Incentive if any is accounted on accrual basis except Interest Subsidy which has been accounted for on receipt basis.

1.14 Investments

Long-term investments (excluding investment properties) are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

1.15 Employee benefits

The Company has adopted the Accounting Standard 15- Employee Benefits prescribed under the Companies (Accounting Standards) Rules, 2006. Employee benefits include provident fund, bonus, superannuation fund, compensated absences, long service awards and post-employment medical benefits. The Company's obligation towards various employee benefits has been recognized as follows:

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are short-term employee benefits. Benefits such as salaries, wages and bonus wages, etc, are recognized in the Profit and Loss statement in the period in which the employee renders the related service.

Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

1.16 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Borrowing cost attributable to the fixed assets during construction/ exploration, renovation and modernization are capitalized. Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.17 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. However the company is currently dealing in only one primary segment.

1.18 Taxes on income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income that originates in one period and are capable of reversal in one or more subsequent periods.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

1.19 Impairment of assets

The carrying values of assets / cash generating units are reviewed at each Balance Sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

1.20 Provisions and contingencies

A provision is recognised when the Company has 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



1.21 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

1.22 Leases

a) Finance lease

- i) Assets taken on finance lease are capitalised at fair value or net present value of the minimum lease payments, whichever is less.
- ii) Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

b) Operating lease

- i) Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Lease rent are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

1.23 Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

1.24 Discontinuing Operations

A discontinuing operation is a component of an enterprise: (a) that the enterprise, pursuant to a single plan, is: (i) disposing of substantially in its entirety, such as by selling the component in a single transaction or by demerger or spin-off of ownership of the component to the enterprise's shareholders; or (ii) disposing of piecemeal, such as by selling off the component's assets and settling its liabilities individually; or (iii) terminating through abandonment; and (b) that represents a separate major line of business or geographical area of operations; and (c) that can be distinguished operationally and for financial reporting purposes. However, the company doesn't have any discontinued operation.

1.25 Contingencies and Events Occurring After Balance Sheet Date

1.26 Construction Contracts

1.27 Accounting for Amalgamations

1.28 Consolidated Financial Statements

1.29 Interim Financial Reporting

1.30 Financial Reporting of Interests in Joint Venture

1.31 Financial Instruments

a) Initial recognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provision of the instruments.

b) Classification and initial measurement of financial assets-

On initial recognition, a financial asset is classified as measured at

- Amortised cost
- FVOCI – debt instruments
- FVOCI – equity instruments
- FVTPL

Amortised cost - The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the company measures bank balances, loans, trade receivables and other financial instruments at amortised cost.

FVOCI – debt instruments - The company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVOCI – equity instruments - The company subsequently measures all equity investments at FVOCI when the instrument at fair value through profit or loss, unless the company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

c) Subsequent measurement of financial assets

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss.

d) Financial liabilities and equity instruments:



Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

e) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

f) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1.32 The Previous Year figures have been regrouped/rearranged wherever necessary to make them comparable.

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(Amount in lakhs, unless otherwise stated)

NOTE 2

	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
SHARE CAPITAL AUTHORISED			
1,80,00,000 Equity Shares of Rs.10/- each	1800.00		
49,10,000 Equity Shares of Rs.10/-each		491.00	491.00
90,000/- Preference Shares of Rs. 10/- Each	9.00	9.00	9.00
	1809.00	500.00	500.00
ISSUED SUBSCRIBED AND FULLY PAID UP			
52,65,357 Equity Shares of Rs. 10/- each, Fully Paid.	526.54		
49,10,000 Equity Shares of Rs. 10/- each, Fully Paid.		491.00	491.00
90,000/- Preference Shares of Rs. 10/- Each		9.00	9.00
Total	526.54	500.00	500.00

Equity Shareholders having 5% or more Shares	As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
Name Of Shareholders	In Nos	In %	In Nos	In %	In Nos	In %
Pratik Gupta	24,76,408	47.03	24,55,000	50.00	13,45,000	27.39
Varun Gupta	24,76,399	47.03	24,55,000	50.00	24,55,000	50.00
Yashash Commodities Private Limited	-	-	-	-	11,10,000	22.61
Total	49,52,807	94	49,10,000	100	49,10,000	100.00

The board of directors of the company in the Board Meeting Dated 1st June, 2024 and shareholders of the company in the extra ordinary general meeting dated 4th June, 2024 pursuant to section 63 of Companies Act,2013 and rules made thereunder, proposed a sum of Rs. 5,26,53,570 to be capitalized as bonus equity shares out of free reserves and surplus, and distributed amongst the equity shareholders by issue of 52,65,357 share in the proportion of 1:1 i.e One new fully paid-up equity share of Rs. 10/- each (Rupees Ten) for every One existing fully paid-up equity shares of Rs. 10/. (Rupees Ten). As a result of that the issued, subscribed and fully paid up equity share capital of the company on the date of signing of the financials is 1,05,30,714 shares of face value of Rs 10 each i. e. 10,53,07,140. EPS calculation have been reinstated in all the periods to give effects of this bonus.

NOTE 3			
RESERVE AND SURPLUS	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Security Premium:-			
Opening balance	-	-	-
Add: During The Year	173.46	-	-
Government Grant			
Opening balance	-		
Add: During The Year	132.76		
Less: Utilised during the Year	(132.76)		
Closing Balance	-		
Surplus in Statement of Profit and Loss:-			
Balance brought forward from previous year	353.23	137.05	84.14
Add: Profit for the period	237.80	216.18	52.91
Less: MAT CREDIT			



Total	764.49	353.23	137.05
NOTE 4			
LONG TERM BORROWINGS	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Bonds/debentures			
Term Loans:			
Secured/Unsecured Loans:			
From Banks (HDFC Loan) and (Term Loan)	48.08	169.33	320.87
From Financial Institutions (MSME Loan)	-	78.18	139.38
Others			
Total	48.08	247.51	460.25
NOTE 5			
DEFERRED TAX LIABILITY	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
WDV of Fixed Assets under the Income Tax Act, 1961	1112.78	1053.70	1061.88
WDV of Fixed Assets as per Books of Account	1229.79	1187.80	1205.24
Difference	(117.01)	(134.10)	(143.37)
Gratuity Provision	12.15	12.19	8.77
Timing Difference	(104.86)	(121.91)	(134.60)
Deferred Tax liability	26.39	30.68	33.88
Deferred Tax Asset	-	-	-
Total	4.29	3.19	(1.31)
NOTE 6			
OTHER LONG-TERM PROVISIONS	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Provision for Gratuity	11.40	11.86	8.75
Provision for sales tax demand		-	-
Total	11.40	11.86	8.75
NOTE 7			
SHORT-TERM BORROWINGS	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Loan from others	20.00	-	-
Working capital demand loan from Bank	457.37	298.04	339.00
Loan From Related Parties	-	-	0.52
Current maturities of long term borrowings	81.19	182.28	-
Total	558.56	480.32	339.51

NOTE 8			
TRADE PAYABLES	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Amount due towards MSME suppliers	188.81	27.49	25.51
Others	130.36	312.43	195.26
Total	319.17	339.92	220.77

** There are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

(a)Principal amount and Interest due thereon remaining unpaid to any supplier	188.81	27.49	25.51
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-	-
(c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
(d) The amount of interest accrued and remaining unpaid during the accounting year.	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
Trade Payables Ageing Schedule*			
Particulars			
Due to MSME			
Less than one year	188.81	27.49	25.51
1-2 years			
2-3 years			
More than 3 years			
Total	188.81	27.49	25.51
Other			
Less than one year	126.27	306.4	190.38
1-2 years	2.13	2.02	0.14
2-3 years	1.96	0.14	0.73
More than 3 years	-	3.86	4.01
Total	130.36	312.43	195.26

NOTE-09			
OTHER CURRENT LIABILITIES	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Electricity Charges Payable	30.28	17.69	17.17
\TDS payable	3.01	1.8	1.20
GST payable	-	27.95	22.56
PF/ ESIC payable	1.84	2.09	1.83
Salary, Wages Payable	20.11	17.16	19.69
Audit Fees Payable	2.50	0.15	0.40
Labour Contractor Charges Payable	13.61	8.79	-
Expense Payable	-	2.65	2.61
Total	71.33	78.28	65.46
NOTE 10			
SHORT TERM PROVISIONS	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Provision for Gratuity	0.74	0.33	0.02
Provision for income tax	85.40	78.79	2.06
Total	86.14	79.12	2.08



NOTE 12			
INVENTORIES	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Raw Material			
Moving	354.67	364.89	93.76
Non-Moving	-	-	-
Finished GOODS			
Moving	98.10	120.6	117.71
Non-Moving	-	-	-
Total	452.77	485.49	211.47
NOTE 13			
TRADE RECEIVABLES	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Secured, considered good			
Unsecured, considered good	340.46	196.10	197.74
Doubtful	-	-	-
Unbilled revenue	-	-	-
Total	340.46	196.1	197.74
Trade Receivable Ageing Schedule			
Particulars			
Undisputed trade receivable - considered good			
Less than six months	340.46	196.08	197.74
6 months - 1 year	-	0.02	0.01
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	340.46	196.10	197.74
Undisputed trade receivable - considered doubtful			
Less than six months	-	-	-
6 months - 1 year	-	-	-
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	-	-	-
NOTE 14			
CASH AND BANK ADVANCES	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Cash and cash equivalents			
Balance with banks:			
Current Account	200.43	0.43	0.97
Cash on hand	0.06	0.22	0.36
Total	200.50	0.65	1.34
NOTE 15			
SHORT TERM LOANS AND ADVANCES	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Loan to Related Parties			
Fixed Deposits	13.44	7.09	6.55
Other Security deposit	5.97	-	-
Total	19.40	7.09	6.55

NOTE 16			
OTHER CURRENT ASSETS	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Prepaid expenses	1.21	0.42	(0.42)
With Income Tax Refund	-	-	-
TDS Recoverable	22.84	-	-
Balance With Revenue Authority	0.23	-	-
MAT Credit	-	-	0.58
GST Receivable	144.52	60.98	143.07
Other Receivables	-	0.11	0.05
Advance to Staff	0.39	-	-
Penal interest refundable	-	-	2.12
Total	169.19	61.51	145.40

NOTE 17			
REVENUE FROM OPERATIONS	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Sales Goods-Domestic	5612.99	5733.83	5777.70
Sales-exempt	-	-	-
Total	5612.99	5733.83	5777.70

NOTE 18			
OTHER INCOME	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Interest Received	0.55	0.59	0.84
Commission Income	81.77	-	59.10
Forex Gain	-	2.13	-
Balance write off	1.25	16.69	(0.01)
GRS Certification Charges	-	0.09	-
Government Grant	216.30	60.98	143.07
Interest on Income Tax	-	0.25	0.82
Misc Income	0.02	-	-
PMRPY/ PMGKY Benefit (PF)	-	0.96	-
Total	299.89	81.69	203.82

NOTE 19			
COST OF MATERIAL CONSUMED	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Opening Raw Material and finished goods	364.89	93.76	395.02
Raw Material Purchased			
Cost of raw material and components purchase	4538.41	4945.98	4699.96
	4538.41	4945.98	4699.96
Raw Material and Finished goods at the year end	354.67	364.89	93.76
Add: Direct Expenses	4548.63	4674.85	5001.21
Additional local Tax	0.83	0.59	1.55
Electricity Expenses	267.48	201.36	227.21
Labour Charge Contractor	108.17	70.46	50.76
Packing Charges	0.02	0.04	0.13
Wages paid	131.14	130.16	163.36
Carriage inward	8.67	10.97	20.19
Shortage & Excess	-	11.35	12.18
Loading & Unloading Charges	0.01	0.15	14.23
	5064.94	5099.93	5490.84



Cost of Material Consumed	5064.94	5099.93	5490.84
NOTE 20			
CHANGE IN INVENTORY (FINISHED GOODS/WIP)	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Opening Stock of WIP			
Opening Finished goods	120.60	117.71	109.00
	120.60	117.71	109.00
Closing Finished goods	98.10	120.60	117.71
Closing Stock of WIP	-	-	-
	98.10	120.60	117.71
Total	22.50	(2.89)	(8.71)
NOTE 21			
EMPLOYEE BENEFIT EXPENSE	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Salaries and wages	71.08	74.99	80.43
Contributions to provident and other funds		-	-
Staff welfare expenses	4.75	4.19	3.80
Gratuity Expense	(0.05)	3.43	1.28
ESI	3.97	4.22	-
PF	10.41	9.70	-
Total	90.16	96.52	85.52
NOTE 22			
FINANCIAL COSTS	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Other interest cost	64.61	56.33	75.69
Total	64.61	56.33	75.69
NOTE 23			
OTHER EXPENSES	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Auditors' remuneration	2.50	0.40	0.40
Bank Charges	0.91	1.11	4.25
Bonus	4.80	2.46	-
Carriage outward	24.21	23.77	33.65
CETP Charges	2.20	1.48	(0.22)
Civil work	0.88	7.25	-
Clearing agency charges	-	1.20	-
Commission & Brokerage	10.30	-	(0.05)
Consultancy Fee	-	0.14	-
Consumable Exp	1.51	0.56	-
Conveyance Expenses	2.69	0.49	0.35
Director's Salary	46.00	24.00	24.00
Factory Maintenance	-	0.03	-
Festival Expenses	-	0.01	-
General expense	0.58	0.05	3.63
Insurance	2.63	2.75	2.57
Interest on GST	-	-	0.08
Legal Expense	6.22	1.81	2.95
Medical expenses	0.10	0.10	-
Membership Fees	-	0.17	-
Miscellaneous expenses	-	-	(0.13)

Office Expenses	-	-	0.11
Pollution expenses	2.55	0.32	-
Postage & courier expenses	0.84	0.89	1.10
Printing and stationery	0.83	0.03	-
Processing fees	2.17	0.54	-
Rates, fees and taxes	4.95	0.42	8.96
Rent	1.44	1.23	2.84
Repairs and maintenance			-
Plant and Machinery	33.16	29.10	29.48
ROC Filing Fee	-	0.17	-
Security Guard Exp	11.28	10.66	9.95
Telephone expenses	0.28	0.26	0.29
Testing Charges	2.06	1.90	-
Travelling Expenses Domestic	-	1.95	-
Total	165.09	115.28	124.22

NOTE 24			
EARNING PER SHARE	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Net Profit Attributable to Equity Shareholders			
Profit after tax	237.80	216.18	52.91
Net Profit attributable to equity shareholders	237.80	216.18	52.91
No. of Equity shares (Number)	52,65,357.00	49,10,000.00	49,10,000.00
Weighted Average No. of Equity Shares	49,42,931.51	49,10,000.00	49,10,000.00
Impact of Issue of Bonus shares issued on 04th June, 2024	49,42,931.51	49,10,000.00	49,10,000.00
Weighted Average number of equity shares used as denominator for calculating EPS.	98,85,863.01	98,20,000.00	98,20,000.00
Nominal value of Equity Shares (Rs.)	10	10	10
Earning Per Share (Rs.) :			
Basic	2.41	2.20	0.54
Diluted	2.41	2.20	0.54

Note 11

Particulars	Office Equipment	Land	Furniture & Fixtures	Computers & Softwares	Plant & Machinery	Building	Vehicle	Capital work in progress	Total
Gross block									-
As at 31 March 2022	5.74	90.00	0.61	1.32	1075.01	458.91	29.95	1.77	1663.30
Additions			0.90		131.93				132.83
Disposals / Adjustments									-
As at 31 March 2023	5.74	90.00	1.50	1.32	1206.94	458.91	29.95	1.77	1796.13
Additions				0.38	207.24	2.62	9.70		219.94
Disposals / Adjustments								1.77	1.77
As at 31 March 2024	5.74	90.00	1.50	1.70	1414.18	461.53	39.65	-	2014.30
Depreciation & Amortisation:									-
As at 31 March 2022	3.32	-	0.00	1.25	385.37	56.28	11.84	-	458.06
Charge for the year the year*	1.09		0.06	-	131.06	14.52	3.54		150.27
Impairments- assets write-downs									-



Disposals / Adjustments **									-
As at 31 March 2023	4.41	-	0.07	1.25	516.42	70.80	15.38	-	608.33
Charge for the year the year*	0.75		0.14	0.01	156.77	14.57	3.94		176.18
Impairments- assets write-downs									-
Disposals / Adjustments **									-
As at 31 March 2024	5.16	-	0.21	1.26	631.19	85.37	19.31	-	784.51
Net block									-
As at 31 March 2022	2.42	90.00	0.60	0.07	689.64	402.63	18.11	1.77	1205.24
As at 31 March 2023	1.33	90.00	1.44	0.07	690.51	388.11	14.57	1.77	1187.80
As at 31 March 2024	0.58	90.00	1.29	0.44	740.98	376.16	20.33	-	1229.79

Note No. 25 Payments to Directors			
DIRECTORS REMUNERATION	For the Period ending 31st March 2024	For the Period ending 31st March 2023	For the Period ending 31st March 2022
Mr. Varun Gupta	16.00	24.00	24.00
Mr. Pratik Gupta	11.20	-	-
Ms. Nikita Gupta	4.80		
Ms. Ankita Gupta	4.80		
Total	36.80	24.00	24.00

Note No. 26 Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.

**Note No. 27 Payments to Auditors
(Exclusive of GST)**

AUDITORS REMUNERATION	For the Period ending 31st March 2024	For the Period ending 31st March 2023	For the Period ending 31st March 2022
Audit Fees	2.50	0.40	0.40
Total	2.50	0.40	0.40

Note No. 28 Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.

Note No. 29 Related Party disclosure as identified by the company and relied upon by the auditors

A	Related Parties and their Relationship
(i)	<u>Key Management Personnel</u>
1	Pratik Gupta
2	Varun Gupta
3	Nikita Gupta
4	Ankita Gupta
(ii)	<u>Relative of Key Management Personnel (having transactions with the company)</u>
1	Vinod Kumar Gupta
2	Kusum Gupta
(iii)	<u>Enterprises owned or significantly influenced by Key Management personnel or their relatives</u>
1	Yashash Commodities Pvt Ltd
2	Sonpankhi Shares & Securities Pvt. Ltd.

3	Associated Textile Industries Pvt. Ltd.
4	Proma Industries Ltd
5	YMC India Pvt Ltd
6	Deltech Instruments Private limited
7	Amama Jewels Private limited

(iv) **Transactions with Related parties**

PARTICULARS	For the Period ending 31st March 2024	For the Period ending 31st March 2023	For the Period ending 31st March 2022
Key Management Personnel			
Director Fees	36.80	24.00	24.00
Laon taken (Varun Gupta)	410.50	100.00	25.00
Laon Repaid (Varun Gupta)	410.50	100.00	25.00
Laon taken (Prateek Gupta)		-	-
Laon Repaid (Prateek Gupta)		-	-
Relative of Key Management Personnel			
Salary	33.60	24.00	24.00
<u>Loan Taken</u>			
Yashash Commodities Pvt Ltd	30.00	100.00	20.00
Associated Textile Industries Pvt. Ltd.	50.00	-	-
<u>Loan Repayment</u>			
Yashash Commodities Pvt Ltd	30.00	100.00	20.00
Associated Textile Industries Pvt. Ltd.	50.00	-	-
Sonpankhi Shares & Securities Pvt. Ltd.		-	-
Vinod Kumar Gupta		-	-

(V) **Outstanding Balances**

PARTICULARS	For the Period ending 31st March 2024	For the Period ending 31st March 2023	For the Period ending 31st March 2022
Key Management Personnel			
Varun Gupta (Remuneration Payable)	1.60	1.01	2.61
Nikita Gupta (Remuneration Payable)	1.60		
Pratik Gupta (Remuneration Payable)	1.60		
Ankita Gupta (Remuneration Payable)	1.60		
Other Related Parties			
Ankita Gupta (Salary Payable)	-	1.48	2.77

30 Disclosure on significant ratios

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
Current Ratio	1.14	0.94	0.90
Debt-Equity Ratio,	0.47	0.64	1.26
Interest Service Coverage Ratio	8.82	8.99	3.83
Return on Equity Ratio	0.18	0.25	0.08
Inventory turnover ratio	10.02	10.19	22.22
Trade Receivables turnover ratio	16.49	29.24	29.22
Trade payables turnover ratio	14.22	14.55	21.29



Net capital turnover ratio	4.35	6.72	9.07
Net profit ratio	0.04	0.04	0.01
Return on Investment	-	-	-
Return on Capital employed	0.21	0.25	0.10

Methodology:

1. Current Ratio = Current Asset / Current Liability.
2. Debt-Equity Ratio = Total Debt / Equity.
3. Interest Service Coverage Ratio = EBITDA / Finance Cost
4. Return on Equity Ratio = Profit After Tax / Total Equity
5. Inventory Turnover Ratio = Purchase / Inventory
6. Trade Receivable Turnover Ratio = Revenue from Operations / Trade Receivable
7. Trade Payable Turnover Ratio = Purchase / Trade Payable
8. Net Capital Turnover Ratio = Revenue from Operations / Total Equity
9. Net Profit Ratio = Profit After Tax / Revenue from Operations
10. Return on Investment = Net income on investment / Cost of Investment
11. Return on Capital Employed = EBIT / (Total Equity + Total Debt)

Note No. 31 Previous year figures have been regrouped/rearranged wherever necessary.

Note No. 32 Reconciliation between Audited Profit and Restated Profit

PARTICULARS	2023-2024	2022-23	2021-22
Profit as per Audited Financial Statements	315.83	208.19	40.62
Adjustments on Account of			
Provision for Income Tax for Prior Period			
Prior period items:			
Carriage Inward	0.74	(0.74)	-
CETP Charges		-	0.22
Commission on Sales		-	1.32
Consumable Store		0.28	(0.28)
Labour Charge Contractor	2.65	(0.89)	6.69
Miscellaneous exp.		-	0.13
Packaging Material		-	0.61
Rent Expense		-	0.25
Repair And maintenance	0.20	1.14	1.11
Security service charge		0.85	0.01
Staff Welfare Expense		0.20	0.16
Written Off	(0.34)	-	-
Electricity Expense		-	-
Insurance	0.62	(0.62)	0.52
Testing Charges		-	-
Provision of current Tax	(0.52)	8.72	(2.59)
Deferred Tax	27.75	0.41	(1.38)
Mat Credit		-	-
Gratuity	1219.30	(3.43)	(1.28)
Depreciation	(119.33)	2.06	6.81
Total of Adjustments	(76.04)	7.99	12.29
Restated Profit	239.80	216.18	52.91

33. Reconciliation between Opening Balance of Profit and Loss under Reserves and Surplus for the FY 20-21

Particulars	As on April 1, 2021
Opening Balance as per Audited Financial Statements	19.88
Adjustments on Account of	
Provision for Income Tax for Prior Period	-
Adjustments on account of prior period expenses:	
CETP Charges	(0.22)
Commission on Sales	(1.32)
Repair and Maintenance	(2.51)
Labour Charge Contractor	(8.46)
Miscellaneous exp.	(0.13)
Packaging Material	(0.61)
Rent Expense	(0.25)
Security service charge	(0.85)
Staff Welfare Expense	(0.36)
Written Off	0.34
Insurance	(0.52)
Mat Credit	(1.80)
Depreciation	110.52
Gratuity	(7.49)
Provision of current Tax	4.36
Deffered Tax	(26.45)
Restated Opening Balance of Surplus	84.14

34. Reconciliation between Total Audited Equity and Total Restated Profit

PARTICULARS	2023-24	2022-23	2021-22
Total Equity as per Audited Financial Statements	526.54	500.00	500.00
Adjustments on Account of			
Provision for Income tax for Prior Period	-	-	-
Changes in Deferred Tax Estimates	-	-	-
Restated Total Equity	526.54	500.00	500.00

35 Material Regrouping

Appropriate re-groupings have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of Cash Flows. wherever required. by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per AS financial information of the Company for the period ended March 31, 2024 prepared in accordance with Schedule III of Companies Act, 2013 and other applicable AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

36 There are no Non-Adjusting Items

37 Restated Statement of Contingent Liabilities



Particulars	2023-2024	2022-23	2021-22
Bank Guarantee	18.00	18.00	-
Income Tax Demand	2.78	2.78	-
Total	20.78	20.78	-

38 Restated Statement of Capitalization

Particulars	Pre-Issue	Post Issue
Debt		
Short Term Debt	558.56	-
Long Term Debt	48.08	-
Total Debt	606.64	-
Shareholder's Fund		
Share Capital	526.54	-
Reserves & Surplus	764.49	-
Total Shareholder's Fund (Equity)	1291.03	-
Long Term Debt/Equity	4%	-
Total Debt/Equity	47%	-

Short Term Debts Represent which are Expected to be Paid/Payable in 12 months.

Long Term Debts represent Debts other than Short Term Debts as defined above

The figures disclosed above are based on Restated Statement of Assets and Liabilities of the Company as at 31.03.2024.

39 Segment Information

The Company doesn't have any Geographical and business segment, hence this AS is not applicable,

40 Leases: Operating Lease Arrangement (AS-19):

The Company's significant leasing arrangements are in respect of operating lease for office space. The aggregate lease rentals payable is grouped as Rent in Note 24.

PARTICULARS	2023-2024	2022-23	2021-22
Lease rent charged to statement of profit and loss	1.44	1.23	2.84

41 Disclosure under Accounting Standard (AS) 15 " Employee Benefits"

Defined Contribution Plans

The Company has recognized the following amounts in the statement of profit and loss:

PARTICULARS	2023-2024	2022-23	2021-22
Employers' contribution to Provident Fund (including administrative charges) & ESIC	14.38	13.92	-

"Gratuity

The defined benefit plans expose the Company to a number of actuarial risks as below:

Interest risk: A decrease in the bond interest rate will increase the plan liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(i) The key assumptions used in accounting for retiring gratuity is as below:

Particular	2023-2024	2022-23	2021-22
Discount Rate	0.00	0.00	0.00
Rate of Escalation in Salary	0.00	0.00	0.00

(ii) Changes in Present Value of Obligation:

Particular	2023-2024	2022-23	2021-22
Obligation at the Beginning of the Year	12.19	8.77	7.49
Interest Costs	0.91	0.62	0.51
Past Service Costs			
Current Service Costs	3.75	3.32	3.30
Benefits Paid			
Remeasurement (Gains)/Losses	(4.70)	(0.52)	(2.52)
Obligation at the End of the Year	12.15	12.19	8.77

(iii) Changes in the Fair Value of Plan Assets:

Particular	2023-2024	2022-23	2021-22
Fair value of Plan Assets at Beginning of Year	-	-	-
Expected Return on Plan Assets	-	-	-
Contributions	-	-	-
Benefits Paid	-	-	-
Remeasurement (Gains)/Losses	-	-	-
Fair Value of Plan Assets at the end of Year	-	-	-

Particular	2023-2024	2022-23	2021-22
Present Value of Obligation	12.15	12.19	8.77
Fair Value of Plan Assets	-	-	-
Funded Status	(12.15)	(12.19)	(8.77)
Net Assets / (Liability) Recognized in Balance Sheet as Provision	(12.15)	(12.19)	(8.77)

(iv) Expenses to be Recognised in the Statement of Profit and Loss

Particular	2023-2024	2022-23	2021-22
Current Service Costs	3.75	3.32	3.30
Past Service Costs		-	-
Interest Costs	0.91	0.62	0.51
	-	-	-
Expected Return on Plan Assets	-	-	-
Net Actuarial (Gain)/ Loss	(4.70)	(0.52)	(2.52)
	-	-	-



Net Impact on Profit & Loss	(0.05)	3.43	1.28
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(iv) Amounts to be Recognised in the Balance Sheet

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Earnings in Foreign Currency

PARTICULARS	2023-2024	2022-23	2021-22
Export Sales	-	-	-
Foreign Exchange Earnings	-	-	-
Total	-	-	-

Expenditure in foreign currency

PARTICULARS	2023-2024	2022-23	2021-22
Import Purchase	-	-	-
Foreign Exchange Outward	-	-	-
Total	-	-	-

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OTHER FINANCIAL INFORMATION

For Details on other financial information please refer to “Ratios” under the chapter titled Financial Statements as Restated beginning on page 173 of this Prospectus.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the financial year ended March 31, 2024 and financial year ended March 31, 2023, and for the financial year ended March 31, 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page 173 of the Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 24 of this Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 17 of this Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Divyadhan Recycling Industries Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the Financial Years ended 2024, 2023 & 2022 included in this Prospectus beginning on page 173 of this Prospectus.

BUSINESS OVERVIEW

Our company is into the business of manufacturing of *Recycled Polyester Staple Fibre (R-PSF)* and *Recycled Pellets*. The recycled fibre and pellets are produced from post-consumer PET bottles also known as Polyethylene Terephthalate bottles. Our company started its operations in the financial year 2018-19, by manufacturing *Recycled Polyester Staple Fibre (R-PSF)* at their manufacturing facility based in Baddi, Himachal Pradesh.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

As per mutual discussion between the Board of the Company and BRLM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed resolution on June 01, 2024 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The Shareholders of our Company has approved and passed resolution on June 04, 2024, in Extra ordinary General Meeting to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The Shareholders of our company appointed Mr. Varun Gupta as Managing Director, in the Extra Ordinary General Meeting held on January 23, 2024.
- The board of directors of our Company appointed Mr. Manoj Kumar as Non-Executive and Non-Independent Director in the Board Meeting held on April 01, 2024.
- The board of directors in its meeting held on December 15, 2023, appointed Mr. Pramod Kumar Gupta as Company Secretary & Compliance officer of the Company w.e.f. December 15, 2023
- The board of directors in its meeting held on January 23, 2024, appointed Mr. Pratik Gupta as Chief Financial Officer of the Company.



- The shareholders of our Company appointed Mr. Satish Chandra Sharma and Ms. Priyanka Agarwal as Independent Directors in the Extra-Ordinary General Meeting held on February 08, 2024.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 24 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular government policies and regulations may adversely affect our business and financial condition;
- Volatility in the Indian and global capital market.

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DISCUSSION ON STANDALONE RESULT OF OPERATION

(Amount in ₹ Lakhs)

Particulars	For the Period ending 31 March 2024	% of total income	For the Period ending 31st March 2023	% of total income	For the Period ending 31st March 2022	% of total income
Revenue from operations	5612.99	94.93	5,733.83	98.60	5,777.70	96.59
Other Income	299.89	5.07	81.69	1.40	203.82	3.41
Total Income (I+II)	5912.88	100.00	5,815.51	100.00	5,981.52	100.00
Expenses:						
Cost of Material Consumed	5064.94	85.66	5,099.93	87.70	5,490.84	91.80
Change in Inventory (Finished goods/WIP)	22.50	0.38	(2.89)	(0.05)	(8.71)	(0.15)
Employee benefit expense	90.16	1.52	96.52	1.66	85.52	1.43
Financial costs	64.61	1.09	56.33	0.97	75.69	1.27
Depreciation and amortization expense	176.18	2.98	150.27	2.58	141.69	2.37
Other expenses	165.09	2.79	115.28	1.98	124.22	2.08
Total Expenses	5583.48	94.43	5,515.45	94.84	5,909.26	98.79
Exceptional Items	-	-	-	-	-	-
Profit before extraordinary items and tax	329.39	5.57	300.07	5.16	72.26	1.21
Extraordinary Items			-	-	-	-
Profit before tax (VII-VIII)	329.39	5.57	300.07	5.16	72.26	1.21
CSR Expense			-	-	-	-
Contribution for CSR			-	-	-	-
Tax expense:						
Current tax	95.89	1.62	87.08	1.50	17.45	0.29
Deferred tax	(4.29)	(0.07)	(3.19)	(0.05)	1.31	0.02
MAT credit	-		-	-	0.58	0.01
Last year excess provision Written Back	-		-	-	-	-
Profit/(Loss) from the Period from Continuing Operations	237.80	4.02	216.18	3.72	52.91	0.88
Profit/ (Loss) from discontinuing operations	-		-	-	-	-
Tax expense of discounting operations	-		-	-	-	-
Profit/ (Loss) for the period	237.80	4.02	216.18	3.72	52.91	0.88



Items for Restated Financial Statements

Our Significant Accounting Policies

For Significant accounting policies please refer “ Significant Accounting Policies”, under Chapter titled Restated Financial Statements beginning on page 173 respectively of the Prospectus.

Overview of Revenue & Expenditure

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the Financial Year ended March 31, 2024, March 31, 2023, & March 31, 2022 and Our revenue and expenses are reported in the following manner:

Revenues

- **Revenue of operations**

Revenue from operation included revenue from sale of Recycled Polyester Fiber, Recycled Pellets and Flakes.

- **Other Income**

Other Income includes Interest income, Commission Income, and Grants received from Government.

Expenditure

- **Cost of material consumed**

Cost of material consumed being opening stock with added purchase and other direct expenses and less the closing stock of the Company.

- **Employment Benefit Expenses**

Our employee benefits expense primarily comprises of Salaries and wages, Staff welfare expenses, Gratuity Expenses, ESI & PF.

- **Finance Cost**

Finance cost includes other interest cost.

- **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses include depreciation on assets.

- **Other Expenses**

Other Expenses includes Auditor Remuneration, Bank Charges, Bonus paid, Carraige outward, CETP charges, civil work, Clearing agency charges, Commission and Brokerage, Consultancy fees, Consumable expenses, Conveyances Expenses, Director salary, Factory Maintenance, General Expenses, Insurance, Interest on GST, Legal Expenses, Medical expenses, Miscellaneous expenses, Pollution expense, Postage and courier expenses, Printing and stationery, Processing fees, rates, fees and taxes, rent, repair and maintenance, Plant and machinery, ROC filing fees, Security and Guard expenses, telephone expenses, testing charges, travelling expenses.



**FISCAL ENDED MARCH 31, 2024, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023
(BASED ON RESTATED FINANCIAL STATEMENTS FISCAL YEAR MARCH 31, 2024 COMPARED
WITH THE FISCAL YEAR ENDED MARCH 31, 2023 BASED ON RESTATED FINANCIAL
STATEMENTS)**

Revenues

- Total Income**

Total Income for the Financial Year 2023-24 stood at Rs. 5,912.88 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 5,815.51 Lakhs representing an increase of 1.67%.

- Revenue from operations**

Revenue from operation for the Financial Year 2023-24, stood at Rs. 5,612.99 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 5,733.83 Lakhs representing a decrease of 2.11%.

Reason: Revenue from operation decrease primarily because of decrease in sales of recycled fiber in domestic as compared to previous financial year and Sale of Recycled Pellets & EPR Certificates has happened for the first time in this year. Revenue breakup of the same is as follows:

(Amount in lakhs)

Particulars	For the period ended 31 st March 2024	% of Total	For the period ended 31 st March, 2023	% of Total
Recycled Fiber	5,314.19	94.68	5,694.22	99.31
Recycled Pellets	148.70	2.65	Nil	Nil
Pet Flakes	5.46	0.10	5.59	0.10
Sale of Scrap	60.57	1.08	34.02	0.59
EPR Certificates	84.06	1.50	-	-
Total	5,612.99	100.00	5,733.83	100.00

- Other Income**

Other Income for the Financial Year 2023-24, stood at Rs. 299.89 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 81.69 Lakhs representing an increase of 267.13%.

Reason: This was primarily due to a significant increase in government grants, which was 216.30 lakhs in FY 2023-24 and Rs. 60.98 Lakhs in FY 2022-23, as well as an increase in commission income, which were nil in FY 2023-22 and Rs. 81.77 lakhs in FY 2023-24.

(Amount in lakhs)

Particulars	Other Income	%age
Interest Received	0.55	0.18%
Commission Income	81.77	27.27%
Government Grant	216.30	72.13%
Balance W/Off	1.25	0.42%
Misc. Income	0.02	0.01%
Total	299.89	100.00%

Under the head Other Income, 2 major income from other sources i.e. Government Grant & Commission Income forms the majority of portion.

a. Government Grant

GST Reimbursement

- i. In accordance with Himachal Pradesh Industrial Investment Policy, 2019 dated 16th August, 2019, The New Industrial Enterprises are eligible for reimbursement of 50% of Net SGST paid to the State Government of Himachal Pradesh for a period of 7 years up to a maximum limit of 80% of Fixed Capital Investment.
- ii. For the year ended 31st March 24 it was Rs. 83.53 Lakhs & for FY 2023, it was Rs. 60.98 Lakhs.

Capital Investment Incentive

- i. Under IDS Scheme, all eligible new Industrial units in manufacturing sector and service sector located anywhere in the state of Himachal Pradesh & Uttarakhand will be provided Central Capital Investment Incentive for access to credit (CCIIAC) @ 30% of the investment in Plant & Machinery with an upper limit of Rs. 500.00 Lakhs
- ii. The company had applied for the same as on 17th Day of November, 2020 and received an approval letter from Director of Industries dated 24th August, 2021. The amount of incentive approved by the department was Rs. 132.76 Lakhs i.e. 30% of Investment in Plant & Machinery of Rs. 443.28 Lakhs which was received by the company as on 23rd October, 2023 and thus booked in the other income.

b. Commission Income

For the year ended March 31, 2024, the company earned commission income of Rs. 81.77 lakhs from Eppendrop India Pvt. Ltd (“EIPL”). EIPL was able to secure orders from various clients through the connections and expertise of the directors of our company.

Expenditure

• **Total Expenses**

Total Expenses for the period ended March 31, 2024, stood at Rs. 5583.48 Lakhs whereas in FY ended March 31, 2023 it stood at Rs. 5515.45 Lakhs representing an increase of 1.23%.

Reason: The increase is on account of the increase in Change in Inventory (Finished Goods/WIP), Finance Cost and other expenses. Increase and their respective change is as follows:

(Amount in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of Material Consumed	5,087.44	5,097.04
Year on Year Increase/(decrease)	(0.19%)	
Financial costs	64.61	56.33
Year on Year Increase/(decrease)	14.71%	
Other Expenses	165.09	115.28
Year on Year Increase/(decrease)	43.20%	

• **Cost of Material Consumed**

Cost of Material Consumed for the Period ended March 31, 2024, stood at Rs. 5,087.44 Lakhs whereas in FY ended March 31, 2023 it stood at Rs. 5,097.04 Lakhs representing a decrease of 0.19%.



Reason: The cost of material consumption has decreased primarily due to the lower Cost of raw material and components purchase, a reduction in carriage inward and loading and unloading charges associated with them and reduction in packaging charges.

- **Employment Benefit Expenses**

Employee benefit expenses for the Period ended March 31, 2024, stood at Rs. 90.16 Lakhs whereas in FY ended March 31, 2023 it stood at Rs. 96.52 Lakhs representing a decrease of 6.59%.

Reason: There was a decrease in 'Employee benefit expenses' because of decrease in salary and wages and other expenses such as gratuity and ESI.

<i>(Amount in lakhs)</i>		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary and Wages	71.08	74.99
Year on Year Increase/(decrease)	(5.22) %	
Other Expenses	64.61	56.33
- Gratuity	(0.05)	3.43
	(101.35) %	
- ESI	3.97	4.22
Year on Year Increase/(decrease)	(5.94) %	

- **Finance Cost**

-

Finance Cost for the Period ended March 31, 2024, stood at Rs. 64.61 Lakhs whereas in FY ended March 31, 2023 it stood at Rs. 56.33 Lakhs representing an increase of 14.71%.

Reason: There is an increase in the finance cost of the company due to increase in the Working capital demand loan from Bank and loan from others.

- **Depreciation and Amortization Expenses**

-

The Depreciation and Amortization Expenses for the Period ended March 31, 2024, stood at Rs. 176.18 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 150.27 Lakhs representing an increase of 17.24%.

Reason: Depreciation and amortization expenses have been increased because of the acquisition of the fixed assets by the Company.

- **Other Expenses**

The Other Expenses for the Period ended March 31, 2024, stood at Rs. 165.09 Lakhs whereas for FY ended March 31, 2023 it stood at Rs. 115.28 Lakhs representing an increase of 43.20%.

Reason: The major increase in other expenses is from Auditors' remuneration, Carriage outward, Commission & Brokerage, Director's Salary and Repair & Maintenance of Plat & Machinery. Increase and their respective change is as follows:



(Amount in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Auditors' remuneration	2.50	0.40
Year on Year Increase/(decrease)	525.00%	
Carriage outward	24.21	23.77
Year on Year Increase/(decrease)	1.84%	
Commission & Brokerage	10.30	-
Year on Year Increase/(decrease)	100%	
Director's Salary	46.00	24.00
Year on Year Increase/(decrease)	91.67%	
Repairs and maintenance - <i>Plant and Machinery</i>	33.16	29.10
Year on Year Increase/(decrease)	13.96%	

- **Restated Profit before Tax**

In line with above discussions, the restated profit before tax increased by Rs. 29.32 Lakhs from Rs. 300.07 Lakhs in FY ended March 31, 2023 to Rs. 329.39 Lakhs for the FY ended March 31, 2024.

- **Tax Expense**

Our total tax expense also accordingly increased by Rs. 7.71 Lakhs from Rs. 83.89 lakhs in FY ended March 31, 2023 to Rs. 91.60 Lakhs in FY ended March 31, 2024.

Reason: The major increase in tax expense is due to increase in Profit Before Tax from Rs. 300.07 Lakhs in financial year 2022-23 to Rs. 329.39 Lakhs in financial year 2023-24.

(Amount in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Tax Expenses	2.50	0.40
- Current Tax	95.89	87.08
- Deferred Tax	(4.29)	(3.19)
Year on Year Increase/(decrease)	9.19%	

- **Restated Profit after Tax**

For the various reasons stated above and adjustments of tax expense, Our Restated profit after tax increased by Rs. 21.61 Lakhs from Rs. 216.18 Lakhs in FY ended March 31, 2023 to Rs. 237.80 Lakhs for the FY ended March 31, 2024.

Reason for change in the Profit after tax

(Amount in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total Income	5,912.88	5,815.51
Change in %	1.67%	
Total Expenses	5,583.48	5,515.45
Change in %	1.23%	
Tax Expenses	91.60	83.89
Change in %	9.19%	



Profit after tax	237.80	216.18
Pat Margin in %	4.24%	3.77%

The reason for the increase in PAT margin is increase in Total income because of increase in other income resulting in an increase in Total Income by Rs. 97.36 Lakhs but a small increase in total expenses by Rs. 68.04 Lakhs relatively.

FISCAL ENDED MARCH 31, 2023, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 (BASED ON RESTATED FINANCIAL STATEMENTS FISCAL YEAR MARCH 31, 202 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

• **Total Income**

Total Income for the Financial Year 2022-23 stood at Rs. 5,815.51 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 5,981.52 Lakhs representing a decrease of 2.78%.

Reason: The capacity utilization in FY 2022 was 6,978.85 Metric Tonnes, representing 86.91%, whereas in FY 2023, it decreased to 6,688.28 Metric Tonnes, or 83.29%. Despite this 3.62% reduction in capacity utilization, the revenue from operations remained nearly the same between the two fiscal years. This indicates that although revenue from operations was Rs. 5,733.83 Lakhs in FY 2022 and Rs. 5,777.70 Lakhs in FY 2023, the capacity utilization decreased. This was primarily due to an increase in the sale price per unit of output, which rose from approximately Rs. 80 in FY 2022 to around Rs. 85 in FY 2023.

Further, the prices of recycled fibres range from Rs. 65 to Rs. 110 per kg depending upon quality and availability and pricing of raw material. Some fibers that trade at higher rates is extremely difficult to manufacture with very few players who are able to supply regularly the fiber of premium quality. Our Company is a key player in the Fibre market where we manufacture majorly two types of fibres, Hollow & Solid. Hollow Fibre which is used in industries like home furnishing, mattresses, furniture, cushions, toys etc. is typically more difficult to make than Solid Fibers which is used in industries like moisture insulation, filters, layers, and rope production. Thus, because of the quality of Hollow fiber and industry it caters to allows it to demand higher rate than Solid Fibers. Our company has made significant strides in establishing the product portfolio for the Hollow Fibers under which the process of manufacturing requires for the machines to operate at a bit slower speed to ensure the quality. The production output may reduce a bit but it is offset by the higher pricing from market. The reduction in production is natural consequence of manufacturing Hollow Fiber over SOLID Fiber. Also, the company is still fulfilling orders of Solid Fiber but only for the premium varieties of solid Fiber.

Additionally, Other Income for FY 2023 saw a significant decline compared to FY 2022. It dropped from Rs. 203.82 Lakhs in FY 2022 to Rs. 81.69 Lakhs in FY 2023, with the major reductions occurring in Government Grants and Commission Income. As a result, the decrease in Other Income in FY 2023 has contributed to a decline in the company's Total Income.

• **Revenue from operations**

Revenue from operation for the Financial Year 2022-23, stood at Rs. 5,733.83 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 5,777.70 Lakhs representing a decrease of 0.76%.

Reason: Revenue from operation decrease primarily because of decrease in sales of goods in domestic as compared to previous financial year. Revenue breakup of the same is as follows:

(Amount in Lakhs)

Particulars	FY 2023	%age	FY 2022	%age
Recycle Fiber	5,694.22	99.31%	5,616.06	97.20%
Pet Flakes	5.59	0.10%	-	-
PET Recycling by Bottles	-	-	112.74	1.95%
Sale of Scrap	34.02	0.59%	48.90	0.85%
Total	5,733.83	100.00%	5,777.70	100.00%

• Other Income

Other Income for the Financial Year 2022-23, stood at Rs. 81.69 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 203.82 Lakhs representing a decrease of 59.92%.

Reason: This was primarily due to a significant decrease in commission income, which was 59.10 lakhs in FY 2021-22 and nil in FY 2022-23, as well as a decrease in grants, which were 143.07 lakhs in FY 2021-22 and 60.98 lakhs in FY 2022-23.

(Amount in Lakhs)

Particulars	FY 2023	FY 2022
Government Grant	60.98	143.07
Commission Income	0.00	59.10
Interest Received	0.59	0.84
Forex Gain	2.13	0.00
Balance Write off	16.69	(0.00)
GRS Certification Charges	0.09	0.00
Interest on Income Tax	0.25	0.82
PMRPY/ PMGKY Benefit (PF)	0.96	0.00
Total Other Income	81.69	203.82

Expenditure

• Total Expenses

Total Expenses for the period ended March 31, 2023, stood at Rs. 5,515.45 Lakhs whereas in FY ended March 31, 2022 it stood at Rs. 5,909.26 Lakhs representing a decrease of 6.66%.

Reason: The decrease is on account of the decrease in Cost of Material Consumed, Finance costs and other expenses. Decrease and their respective change is as follows:

(Amount in lakhs, except %)

Particulars	FY 2023	%age of Total Income	FY 2022	%age of Total Income
Cost of Material Consumed + Change in Inventory	5,097.04	87.65%	5,482.13	91.65%
Employee Expenses	96.52	1.66%	85.52	1.43%
Other Expenses	115.28	1.98%	124.22	2.08%
Finance Costs	56.33	0.97%	75.69	1.27%
Depreciation	150.27	2.58%	141.69	2.37%
Total Expenses	5,515.45	94.84%	5,909.26	98.79%



- **Cost of Material Consumed**

Cost of Material Consumed including change in inventory for the year ended March 31, 2023, stood at Rs. 5,097.04 Lakhs which represents 87.65% of Total Income whereas in year ended March 31, 2022 it stood at Rs. 5,482.13 Lakhs which represents 91.65% of Total Income. This represents a decrease of 4.10%.

Reason: The Cost of Material Consumed has decreased as a %age of Revenue from Operations by 6% and 4.10% as %age of Total Income. This is due to the fact that the Average Selling Price of each kg of fiber had increased by 6% i.e. from Rs. 80 per kg to Rs. 85 per kg.

- **Employment Benefit Expenses**

Employee benefit expenses for the Period ended March 31, 2023, stood at Rs. 96.52 Lakhs whereas in FY ended March 31, 2022 it stood at Rs. 85.52 Lakhs representing a, increase of 12.87%.

Reason: There was an increase in 'Employee benefit expenses' because of increase in staff welfare expenses and other expenses such as gratuity, ESI, and provident funds.

- **Finance Cost**

Finance Cost for the Period ended March 31, 2023, stood at Rs. 56.33 Lakhs whereas in FY ended March 31, 2022 it stood at Rs. 75.69 Lakhs representing a decrease of 25.58%.

Reason: There is a decrease in the finance cost of the company due to decrease in the long-term borrowing of the Company.

- **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Period ended March 31, 2023, stood at Rs. 150.27 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 141.69 Lakhs representing an increase of 6.05%.

Reason: Depreciation and amortization expenses have been increased because of the acquisition of the fixed assets by the Company.

- **Other Expenses**

The Other Expenses for the Period ended March 31, 2023, stood at Rs. 115.28 Lakhs whereas for FY ended March 31, 2022 it stood at Rs. 124.22 Lakhs representing a decrease of 7.20%.

Reason: The major decrease in other expenses is from General Expense, Rent, Rates, Fees and Taxes, Legal Expenses, Carriage Outward. Decrease and their respective change is as follows:

<i>(Amount in lakhs)</i>		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Carriage outward	23.77	33.65
Year on Year Increase/(decrease)	(29.36%)	
General Expenses	0.05	3.63
Year on Year Increase/(decrease)	(98.62%)	
Legal Expenses	1.81	2.95
Year on Year Increase/(decrease)	(38.64%)	
Rent	1.23	2.84

Year on Year Increase/(decrease)	(56.69%)	
Rates, Fees and Taxes	0.42	8.96
Year on Year Increase/(decrease)	(95.31%)	

- Restated Profit before Tax**

In line with above discussions, the restated profit before tax increased significantly increased by Rs. 227.81 Lakhs from Rs. 72.26 Lakhs in FY ended March 31, 2022 to Rs. 300.07 Lakhs for the FY ended March 31, 2023.

- Tax Expense**

Our total tax expense also accordingly increased by Rs.64.54 Lakhs from Rs. 19.35 lakhs in FY ended March 31, 2022 to Rs. 83.89 Lakhs in FY ended March 31, 2023

- Restated Profit after Tax**

For the various reasons stated above and adjustments of tax expense, Our Restated profit after tax increased by Rs. 163.27 Lakhs from Rs. 52.91 Lakhs in FY ended March 31, 2022 to Rs. 216.18 Lakhs for the FY ended March 31, 2023.

Profit after tax for the year ended March 31, 2023 was Rs. 216.18 Lakhs i.e. 3.72% of Total Income and for year ended March 31, 2022 was Rs. 52.91 Lakhs i.e. 0.88% of Total income. The reason for increase in PAT for the periods is as follows:

The company was able to generate incremental revenue per unit sale price of output goods from ~Rs. 80 per kg to ~Rs. 85 per kg. Thus, if we take an effective increase in sales i.e. Rs 5 per kg on sales price of Rs. 85 per Kg. i.e. 5.88%. Also, we if take into consideration the raw material, it has stayed at approximately Rs. 55 per kg. If we take both things into consideration, the benefit of Operational Expenses could be catered by this increase in per unit sale of finished goods.

(Amount in lakhs)

Particulars	FY 2023	FY 2022
Revenue from Operations (Rs. Lakhs)	5,733.83	5,777.70
Operational Expenses (Rs. Lakhs)	5,308.85	5,691.87
%age of Revenue from operations	92.59%	98.51%
Net Change	5.99%	

Table 1 : Profit & Loss for FY 2023 & FY 2022 (without Other Income)

(Amount in lakhs)

Particulars	Amount		%age of Revenue from Operations		Change
	FY 2023	FY 2022	FY 2023	FY 2022	
Revenue from Operations	5,733.83	5,777.70	100.00%	100.00%	-
Total Income	5,733.83	5,777.70	100.00%	100.00%	-
COGS	5,097.04	5,482.13	88.89%	94.88%	(5.99)%
Employee & Others	211.81	209.74	3.69%	3.63%	0.06%
EBITDA	424.98	85.82	7.41%	1.49%	5.93%
Depreciation	150.27	141.69	2.62%	2.45%	0.17%
Financial Cost	56.33	75.69	0.98%	1.31%	(0.33)%
PBT	218.38	(131.56)	3.81%	(2.28)%	6.09%

Table 2: PBT including other income

(Amount in lakhs)

Particulars	Amount
-------------	--------



	FY 2023	FY 2022
PBT	218.38	(131.56)
Other Income	81.69	203.82
PBT (including Other Income)	300.07	72.26
Total Income (including other Income)	5,815.51	5,981.52
PBT Margin	5.16%	1.21%
Effective Change	3.95%	

If we analyze Table 1, the increase in Profit Before Tax (PBT) is primarily due to an improved gross margin at the operational level, driven by an increase in the sale price per unit of finished goods. A cumulative rise of approximately 6% in the sales price has directly contributed to the higher Gross Margin at the cost of goods sold (COGS) level. When examining other items before EBITDA, such as employee costs and other expenses, there is only minor fluctuation, given that the capacity utilization has not increased. Additionally, the company's purchase of assets has led to higher depreciation, and the repayment of borrowings has resulted in lower financial costs.

In Table 2, it's important to note that the PBT margin (including Other Income) shows a variance of only 3.95%, compared to a 6% variance in Table 1. This 2% difference is due to a decrease in Other Income in FY 2023. The key differences in Other Income for FY 2023 are attributed to a lack of commission income, which was received in FY 2022 but not in FY 2023, and a reduction in government grants.

INFORMATION REQUIRED AS PER ITEM (II) (C) (IV) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled Risk Factors beginning on page 24 of this Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company 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

Other than as described in this Prospectus, particularly in the sections Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations on pages 24 and 202 of this prospectus respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations

4. Income and Sales on account of major product/main activities

Our company is engaged in the sale of Recycled Polyester Fiber, Recycled Pellets and Flakes.

5. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.



Our Company's future costs and revenues can be indirectly impacted by an increase in employees benefit costs as the company require more employee in future.

6. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in our revenues are by and large linked to increases in the volume of business.

8. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in power sector, heavy electronic equipment. Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 97 of this Prospectus.

9. Status of any publicly announced new products or business segments.

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Prospectus.

10. The extent to which the business is seasonal

Our business does not depend to a certain extent on seasonal, environmental and climate changes. Hence, our business is not seasonal in nature.

11. Competitive Conditions

We face competition from existing and potential competitors which is common for any business. Over a period of time, we have developed certain competitive strengths which have been discussed in section titled "*Our Business*" on page 120 of this Prospectus.

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FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or up to such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on March 31, 2024 our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs. 586.64 lakhs, as per the certificate issued by M/s KRA & Co., Chartered Accountants, dated September 14 2024.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a Standalone basis:

Secured Loans

(Rupees in Lakhs)

Name of persons/ companies	Loan Amounts	Rate of Interest (per annum)	Purpose of Loan	Type of Loan	Tenure	Outstanding as on March 31, 2024
Axis Bank Ltd	975.00	Repo + 2.25%	For Working Capital	Secured- OD Limit	12 Months	457.37
Axis Bank Ltd	42.00	Repo + 2.25%	For Working Capital	MSME Loan	12 Months	16.98
Axis Bank Ltd	72.00	Repo + 2.25%	For Capital Expenditure	Term Loan	12 Months	48.25
Axis Bank Ltd	71.00	Repo + 2.25%	For Capital Expenditure	Term Loan	12 Months	64.04
Total						586.64

Unsecured Loans

(Rupees in Lakhs)

Name of persons/ companies	Loan Amounts	Rate of Interest (per annum)	Purpose of Loan	Type of Loan	Tenure	Outstanding as on March 31, 2024
Anuroop Packaging Ltd	20.00	-	For Working Capital	Business Loan	Repayable on Demand	20.00

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SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors dated June 04, 2024 for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, would be considered 'material' where:

- i. the claim/dispute amount, to the extent quantifiable, exceeds 10% of the total consolidated trade payables of the Company as per the last restated financial statements of the Company for a complete Financial Year would be considered 'material' for disclosure in this Prospectus; and*
- ii. the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but an outcome in any such litigation would materially and adversely affect the Company's business, operations, cash flows, financial position or reputation of the Company.*

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds 10% of the total consolidated trade payables of the Company as per the latest restated financial statements of the Company shall be considered as 'material'. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("MSME"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditor.

It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Directors shall not be considered as litigation until such time that any of our Company, our Directors, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

All terms defined in a particular litigation disclosure pertain to that litigation only.

1. LITIGATION INVOLVING OUR COMPANY

(a) Litigation proceedings against our Company



1 Criminal Proceedings:

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *against* our Company.

2 Civil Proceedings:

As on the date of this Prospectus, below are details civil proceedings initiated *against* our Company.

3 Actions taken by Statutory/Regulatory Authorities

As on the date of this Prospectus, there are no outstanding action by statutory or regulatory authorities initiated *against* our Company.

4 Tax Proceedings

Set out herein below are details of pending tax cases involving our Company under Income Tax Act 1961:

a) Notice issued with Notice/ Communication Reference ID: 100077334740 under section 143(1)(a) for proposing adjustments to the total income for assessment year: 2023-24.

The notice above mentioned is an “Issue Letter” as displayed on the income tax portal. This issue letter just communicates that the company had paid the tax liability under Self-Assessment tax in the previous assessment year 2023-24. For current assessment year i.e. the company has to make payment of tax liability by opting for advance tax instead of opting self-assessment tax.

The tax liability accruing for the assessment year 2023-24 has been paid. Currently, the status of the same is pending on income tax portal.

b) Notice issued with Document Identification Number (DIN): EFL/2223/G22/ITR000468803404 under section 143(1)(a) for proposing adjustments to the total income for assessment year: 2022-23.

On filing of return by the assessee under Income Tax Act, 1961, the details furnished by the assessee is computed and verified by “Central Processing Centre”. The CPC processes the return filed and generates the intimation under section 143(1). The notice specifies the tax amount payable or refund due as per income tax department.

This notice was issued on account of difference arising as per the information filed by the company and the information available with the income tax department. The company had paid the complete demand as raised by the income tax department. Currently, the status of the same is pending on income tax portal.

c) Penalty Proceedings Initiated via Notice u/s 272A(1)(d) with Notice/ Communication Reference ID 100044711379 for assessment year 2022-23. where it was required to show cause as to why an order imposing penalty of Rs. 10,000/- per default u/s 272A(1)(d) of the Income-tax Act, 1961 should not be passed.

The current status of the proceeding is pending. However, there is no further demand raised by the Company.

d) Defective Notice issued for filing defective return under section 139(9) for assessment year 2017-2018.

For the assessment year 2017-18, the company initially filed the return. Such return was found defective or incomplete on Income Tax Portal dated March 2018. The IT department gave reminders dated March 12, 2018, and April 11, 2018, giving the opportunity to the company to file the complete and correct return. However, our company failed to furnish the return, thus on February 7, 2019, the department declared invalid return as per section 139(9). Further the IT Department have not raised any demand for this period, which is reflected in all further communication from IT Department. However, the status of the notice is pending as shown on income tax portal.

e) *Defective Notice for filing defective return issued under section 139(9) for assessment year 2013-2014.*

Our company filed its income tax return for assessment year 2013-14. On processing, the income tax department found it to be defective or incomplete, thus issued notice under section 139(9) for the assessment year 2013-14. The company filed the responses or return in due course, which was accepted by the department. The department processed the same with no demand and refund dated July 25, 2014. Currently the status of the notice is pending on income tax portal. Although, the intimation order stating no demand or refund is pending or payable.

f) *Demand Notice Issued Under sec 245/245(1) read with sec 141(1) For Rs 10,000/- with Demand Reference number 2022202040410214744C with demand order date 26-Aug-2022.*

This demand is with regard to the assessment year 20-21. In response to that above notice the company has made the payment of Rs. 10,000/-. Currently the status of the notice is pending on income tax portal.

g) *Demand Notice Issued Under sec 245/245(1) read with the section 141(1) For Rs 2,92,170/- with Demand Reference number 2022202237151595855C with demand order date 21-Feb-2023.*

The company received the demand notice under section sec 245/245(1) read with sec 141(1) whereby the demand of Rs 2,92,170/- was raised. This amount consists of both tax component and the interest accrued. The company has paid the demand raised for the assessment year 2022-23.

Set out herein below are details of pending tax cases involving our Company under GST Act, 2016

- a. Show Cause Notice issued with Reference No. ZD021220004809Y order under section 73 with demand of Rs 74,697.64/-. Later company requested for rectification of a notification order (Reference No. 7D021220004809Y, dated 30/12/2022). It highlights that an interest amount of ₹74,697.63 was paid on 20/01/2021 via challan 10.21010200030680, and DRC-03 was filed on 26/05/2022 with Reference No. AD0205220017951. Rectified order passed on date 02/12/2022 with Nil demand.
- b. A summons dated 01/11/2023 has been issued by Ujjal Singh Rana, Joint Commissioner of State Taxes and Excise, Shimla, Himachal Pradesh, to Divyadhan Consultants Private Limited under Section 70 of the CGST Act, 2017. The company is required to appear in person or through an authorized agent on 14/11/2023 at 23:00 hours at the JCSTE SEZ office in Parwanoo. The company must provide original invoices, GR, e-way bills, and proof of payment for inward supplies from M/s Shri Radhe Plastics and M/s Shyam Polymer, Delhi, for the financial year 2022-23. Failure to comply may result in penalties under Sections 174 and 175 of the IPC, as this inquiry is considered a judicial proceeding under the law.

In reply dated 14/08/2024, Divyadhan recycling industries limited / Divyadhan Consultants Pvt. Ltd. responds to the Joint Commissioner of State Taxes and Excise regarding Case ID: AD021123000012G. The company informs the authority that M/s Shri Radhe Plastics, whose GSTIN is 07EBHPS1963J1Z5, is in the process of resolving the issue. Divyadhan Consultants is actively following up with Shri Radhe Plastics and attaches a letter from the Superintendent of CGST Mundka Division as reference. The letter mentions that the GSTIN revocation process for Shri Radhe Plastics is delayed due to a technical issue, but it is expected to be completed once the ARN reflects in the system. Divyadhan Consultants requests a one-month extension to resolve the matter.

5 *Disciplinary action taken by SEBI or Stock Exchanges*

As on the date of this Prospectus, no disciplinary action by the SEBI or Stock Exchanges initiated *against* our Company.



6 Other Material Litigations

As on the date of this Prospectus, there are no other material litigations initiated *against* our Company.

(b) *Litigation by our Company*

1. *Criminal Proceedings*

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *by* our Company.

2. *Civil and other Material Litigations*

As on the date of this Prospectus, there are no Civil and other Material Litigations initiated *by* the Company.

2. LITIGATION INVOLVING OUR PROMOTERS

Cases filed against our Promoters

1. *Criminal Proceedings*

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *against* our Promoters.

2. *Civil Proceedings*

As on the date of this Prospectus, there are no outstanding civil proceedings initiated *against* our Promoters.

3. *Actions taken by Statutory/Regulatory Authorities*

As on the date of this Prospectus, there are no outstanding action by statutory or regulatory authorities initiated *against* our promoters.

4. *Tax Proceedings*

Notices issued against Pratik Gupta having PAN: ALMPG3000F

There are two notices showing in the tab “e proceeding” but both the notices relate to same income tax return filed for assessment year 2017-2018, issued to Pratik Gupta under section under section 143(1)(a). As per the notices there was difference in the income as filed under return and the amount reflected in 26AS. On various submissions consisting of rectification returns filed, the said rectified return was accepted with no demand and refund. The intimation order was made dated February 28, 2020.

However, the portal has not been updated thus still showing pending under the tab “e proceedings”. The intimation order dated February 28, 2020, is available on the portal which shows that rectification has been processed with no demand or refund.

Notices issued against Varun Gupta having PAN: AKIPG7734K

a) Demand Notice issued under section 131(1)(a) for amount of Rs. 23,990/-.

A demand notice was issued for assessment year 2021-22 amounting to Rupees. 23,900. The promoter, Varun Gupta, has paid the amount of demand raised.

- b) **Demand Notice issued under sec 245/245(1)(a) for amount of Rs. 5,380/- with Demand Reference number 2019201937057688176T.**

In respect to above demand notice issued under sec 245/245(1)(a) bearing Demand Reference number 2019201937057688176T making demand of Rs. 5,380/-, the same was adjusted by the department in lieu of refund arising.

- c) **Demand pending with Demand Reference No:2021202137036204801T under section 143(1)(a) for interest amount of Rs. 7409/- for Assessment Year :2021**
- d) **Demand pending with Demand Reference No:2024202437274891236T under section 143(1)(a) for amount of Rs. 120/-for Assessment Year :2024**

5. *Disciplinary action against our Promoters by SEBI or any stock exchange in the last five (05) fiscals*

As on date of this Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our promoters in the last five Fiscals including any outstanding action.

6. *Other Material Litigations*

As on the date of this Prospectus, there are no other material litigations initiated *against* our Promoters.

Cases filed by our Promoters

1. *Criminal Proceedings*

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *by* our Promoters.

2. *Civil and Other Material Litigations*

As on the date of this Prospectus, there are no outstanding material litigation initiated *by* our Promoters.

3. LITIGATION INVOLVING OUR DIRECTORS

Cases filed against our directors

1. *Criminal Proceedings*

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *against* our directors.

2. *Civil Proceedings*

As on the date of this Prospectus, there are no outstanding civil proceedings initiated *against* our directors.

3. *Actions taken by Statutory/Regulatory Authorities*

As on the date of this Prospectus, there are no outstanding action by statutory or regulatory authorities initiated *against* our directors.

4. *Tax Proceedings*

As on the date of this Prospectus, there are no tax proceedings initiated *against* our promoters.



5. *Disciplinary action taken by SEBI or stock exchanges*

As on the date of this Prospectus, no disciplinary action by the SEBI or Stock Exchanges initiated *against* our directors.

6. *Other Material Litigations*

As on the date of this Prospectus, there are no other material litigations initiated *against* our director.

Cases filed by our directors

1. *Criminal Proceedings*

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *by* our directors.

2. *Other Material Litigations*

As on the date of this Prospectus, there are no other material litigations initiated *by* our directors.

4. **LITIGATION INVOLVING OUR SUBSIDIARY**

As on date of this Prospectus, our Company does not have any subsidiary company.

5. **LITIGATION INVOLVING OUR GROUP COMPANIES**

(a) Litigation proceedings against our Group Companies

1 *Criminal Proceedings:*

As on the date of this Prospectus, below are the details of criminal proceedings initiated *against* our Group Companies.

2 *Civil Proceedings:*

As on the date of this Prospectus, below are details civil proceedings initiated against our Company:

1. Raj Kumar S/O Deep Chand Jain Vs Proma Industries Limited

Court Name: 58-Civil Judge (Junior Division) Ludhiana

Case No.: CS/22377/2023

Fact of the case: Raj Kumar jain is contesting a demand notice issued by Proma Industries Limited for Rs. 55.90 Crore, claiming it to be illegal, null and void, among other things. The plaintiff contends that the demand notice is based on a loan account of defendant no. 4 (Girnar fibers limited), which the plaintiff had guaranteed. However, the plaintiff argues that the loan was settled in full through a one-time settlement policy with defendant no. 2 (IFCI) in 2008-2009. Furthermore, the plaintiff alleges that the demand notice is time-barred and not supported by any contractual agreement between the plaintiff and defendant no. 1 (Proma Industries Limited) The plaintiff seeks various reliefs from the court, including a declaration that the demand notice is illegal and void, a permanent injunction against the defendants from claiming any amount, and a mandatory injunction directing defendant no. 1 to issue a "No Dues Certificate."

Brief of the case: Raj Kumar Jain is seeking to be released from his personal guarantee related to a Rs. 409 Crore loan extended by IFCI to Girnar, which was later purchased by Proma Industries Limited in 2009 and to avoid liabilities arising from the loan, Raj Kumar Jain has filed a case requesting the return of his personal guarantee. He

argues that his obligation should not extend to the loan's current status under Proma Industries Limited's ownership.

Current stage of the case: Case is at the stage of filing of written statements by defendants

Next date of hearing: 04.10.2024

2. Gulshan Kumar Jain Vs Proma Industries Limited

Court Name:54-Civil Judge (Junior Division), Ludhiana

Case No.: CS/22508/2023

Fact of the case: Suit initiated by Gulshan Kumar Jain against several parties, notably Proma Office Industries Limited, Industrial Finance Corporation of India (IFCI), and others, concerning intricate matters surrounding loans, guarantees, non-performing assets, and purported coercion. Kumar Jain's plaint meticulously articulates the factual landscape, encompassing intricate details of loan agreements, subsequent settlements, and alleged coercive measures orchestrated by the defendants. The plaint vehemently implores the court to grant a permanent injunction, restraining the defendants from asserting any claims against the plaintiff. Additionally, it fervently requests a declaration affirming the absence of any outstanding amounts owed by the plaintiff. Furthermore, the plaint advocates for the issuance of a mandatory injunction, mandating the provision of a "No Dues Certificate" as per a prior court order. Simultaneously, an application for interim/ad-interim injunction supplements the plaint, pressing for expeditious judicial intervention to restrain the defendants from making any claims against the plaintiff pending the final adjudication of the suit.

Brief Facts of the Case: Gulshan Kumar Jain is seeking to be released from his personal guarantee related to a Rs. 409 Crore loan extended by IFCI to Girnar Fibers Limited, which was later purchased by Proma Industries Limited in 2009. Case filed to avoid liabilities; Gulshan Kumar Jain is requesting the return of his personal guarantee. He contends that the current obligations under Proma Industries Limited's ownership of the loan should not apply to him.

Current stage of the case: Case is at the stage of filing of replication

Next date of hearing: 01.10.2024

3. Jatinder Jain Vs Proma Industries Limited

Court Name:54-Civil Judge (Junior Division), Ludhiana

Case No.: CS/22396/2023

Fact of the case: Jatinder Kumar Jain is seeking to be released from his personal guarantee related to a Rs. 409 Crore loan extended by IFCI to Girnar, which was later purchased by Proma Industries Limited in 2009.

Brief facts of the Case: To avoid liabilities, Jatinder Kumar Jain has filed a case to return his personal guarantee. He argues that he should not be held liable for the loan under Proma Industries Limited's ownership.

Current stage of the case: Case is at the stage of Appearance of parties

Next date of hearing: 01.10.2024

4. Satish Kumar Jain Vs Proma Industries Limited

Court Name: 59-Civil Judge (Junior Division), Ludhiana

Case No.: CS/22385/2023

Fact of the case: Satish Kumar Jain is seeking to be released from his personal guarantee related to a Rs. 409 Crore loan extended by IFCI to Girnar, which was later purchased by Proma Industries Limited in 2009.



Brief Facts of the Case: Filed to avoid liabilities, Satish Kumar Jain is requesting the return of his personal guarantee. He claims that his obligations should not extend to the loan's current status under Proma Industries Limited's ownership.

Current stage of the case: Case is at the stage of filing of written statements by defendants

Next date of hearing: 25.09.2024

5. Girnar Fibres Limited Vs Proma Industries Ltd

Court Name: Punjab & Haryana High Court, Chandigarh

Case No.: CR-2815-2019

Facts of the case: Girnar Fibres Ltd is seeking the submission of C forms and recovery of Rs. 2.7 Crores from Proma Industries Ltd, alleging job work claims. The current stage of the suit involves a reply to be filed by the defendant. The next date of the hearing is November 07, 2024.

Brief facts of the Case: The initial petition was dismissed due to an arbitration agreement between Proma and Girnar for the sale of a unit in Madhya Pradesh. Girnar filed a revision petition arguing non-stamping of the agreement invalidates the arbitration clause. A recent Supreme Court judgement could impact the case's outcome.

Current stage of the case: Reply to be filed by Defendant

Next date of hearing: 07.11.2024.

6. Girnar Fibres Ltd Vs IFCL Ltd and Ors.

Court Name: 8-Civil Judge Jr. Div., Chandigarh

Case No.: CS CJ/ 5170/2013

Fact of the case: Girnar Fibres Ltd seeks to restrain IFCL from assigning a loan to Proma Industries Ltd and recover Rs. 2.7 Crores for alleged job charges.

Brief of the Case: The court initially ordered a status quo, which was lifted in 2019, allowing the loan assignment to proceed. Girnar Fibres Ltd claims the amount recoverable includes job charges for which Proma is liable, pending proof of job spinning.

Current stage of the case: Case is pending for evidence of plaintiff

Next date of hearing: 25.09.2024

3 Actions taken by Statutory/Regulatory Authorities

As on the date of this Prospectus, there are no outstanding action by statutory or regulatory authorities initiated against our Group Companies.

4 Tax Proceedings

Set out herein below are details of pending tax cases involving our Group Companies:

1. Notices issued against Proma Industries Limited having PAN number AAACP6230G:

- a) Demand Notice Issued Under sec 245/245(1) read with sec 141(1) For Rs 27,600/- with Demand Reference number 2021201937001818736C with demand order date 13-Jun-2021.

The company received a demand notice under section 245/245(1) read with sec 141(1) for Rs 27,600/-. As per general rule whenever a company receives demand notice either the demand has to be paid either in cash or it gets deducted from the refund, if any, accruing to the company from Income tax department. The same was deducted from the subsequent refund accruing to the company. There is no further demand raised by the company with regards to the same. Currently it is showing pending on income tax portal.

- b) **Notice for Adjustment u/s 143(1)(a) issued with Document Identification Number (DIN): CPC/1920/G22/1967866933 with remarks Schedule BP, Row no A5 Amount in Income Tax Return Amount as computed Variance on account of Proposed adjustment Income/receipt credited to profit and loss account (included in 1) which is Exempt, amount being Rs 6,03,189/- for assessment year 2019-20.**

The amount of Rs.6,03,189/- was adjusted by the income tax department while assessing income for the A.Y. 2019-2020. The assessment order passed where demand due was processed dated June 13, 2021. Currently the status of the notice has not been updated by the income tax department on their portal and is showing pending.

- c) **Notice for Adjustment u/s 143(1)(a) issued with Communication Reference No. CPC/1819/G22/1875795305 with remarks Any sum received from employees as contribution to any provident fund or superannuation fund or any fund set up under ESI Act or any other fund for the welfare of employees to the extent not credited to employees account on or before the due date) amount being Rs 24,254/- for assessment year 2018-19**

The notice was just an intimation pertaining to adjustment to be made with respect to an expense deducted on account of ESI Act or any other fund for the welfare of employees. The same was disallowed as mentioned in intimation order. Currently the status of the notice is showing pending on income tax portal.

- d) **Defective Notice issued under section 139(9) for assessment year 2017-2018, with Return Acknowledgement number: 283538331011117. The status of the proceeding is it is pending.**

This notice is for the assessment year 2017-18, and the revised return pursuant this notice has been filed and the refund has been credit with respect to the same AY. The status of notice is still showing pending on income tax portal.

2. Notices issued against Sonpankhi Shares and Securities Private Limited having PAN number: AAFCS0822E

- a) **First Appeal Proceedings pending for assessment year: 2005-06. And Notice issued under section 250 for hearing with Notice/ Communication Reference ID: 100070532688 and Document reference ID ITBA/APL/F/APL_1/2023-24/1058351192(1) of the Income-tax Act,1961.**

Refund pending from income tax department Rs.67,033/- as per last order. In addition to this the company applied for increasing the refund for an expense of Rs.90,000/- which was not given effect by income tax department even after appeal order. The process is still pending for getting a refund of R.67,033/- and adjustment of expense of Rs.90,000/- which income tax department has not given effect so far. However, currently the status of the notice is open on income tax portal.

3. Notices issued against Yashash Commodities Private Limited having PAN AAACY1309F:

- a) **Demand rose to 26,790/- Demand Reference No:2019200740403028650C for assessment year 2007-2008.**

The response was submitted on 31.08.2023 as per the income tax site itself. Thereafter the demand as per site itself is nil. For interest portion also representation was made on 31.08.2023 and thereafter there is no further communication from the department with regard to same. However, currently it is showing pending on income tax portal.



- b) Notice for Adjustment u/s 143(1)(a) issued with Communication Reference No. CPC/1819/G22/1875795305 with remarks The claim of set off of current year loss shown in part -BTI is not consistent with the loss computed in the schedules of the corresponding heads of Income OR priority of set off of the current year loss is not consistent with the provisions of the act. Amount mentioned being Rs 10,91,322/- for assessment year 2019-20.

The notice issue date is 14.02.2020, while subsequently the income tax department has passed assessment order u/s 143(1) dated 29.02.2020 whereby neither any amount is refundable from income tax department, nor any amount tax liability is payable.

4. GST Notices issued against PROMA INDUSTRIES LIMITED having GST No. 27AAACP6230G1ZN:

- a) GST Notice issued with reference number ZA270423199011Qu/s 46 for not filing return with date of issuance 27/04/2023 and due date 12/05/2023.

This notice was issued on account of delay in filing of GSTR-3B for the March 2023. The company has filed the return dated May 09, 2023.

- b) GST Notice issued with reference number ZA270323185720L u/s 46 for not filing return with date of issuance 25/03/2023 and due date 09/04/2023.

This notice was issued on account of delay in filing of GSTR-3B for the February 2023. The company has filed the return dated March 31, 2023.

- c) Show Cause Notice issued with Reference No. ZD270524061129C with case IDAD2705240117637U/s 73(1) of CGST/MGST Act R/w Section 20 of IGST Act, date of issuance being 28/05/2024 here The Maharashtra Department of Goods and Services Tax issued a Show Cause Notice to M/s Proma Industries Ltd for discrepancies identified during an audit for the financial year 2019-20. The notice details numerous issues including a significant drop in turnover, unexplained deductions, mismatches in tax liability, and improper claims of Input Tax Credit (ITC). Specific issues involve a liability difference of Rs 102,120 between GSTR 1 and GSTR 3B, unaccounted credit notes and debit notes, underpaid IGST, and ITC claimed from non-filers. The notice demands explanations and the payment of due taxes, interest, and penalties for these discrepancies, emphasizing the legal requirements under sections 16 and 37 of the CGST/MGST Act. The total amount due from various discrepancies includes taxes, interest, and penalties, which the taxpayer must address to avoid further legal consequences, following these discrepancies total tax/penalty liability amounts to Rs. 7,72,27,880/- (in INR). No, reply filed by taxpayer against DRC 01A issued, base grounds been 1) Difference in the liability accepted in GSTR 1 for FY 2019-20 and the liability actually paid in GSTR 3B. 2) Interest on reversal of ITC. 3) Unexplained deduction of 4.14 Lac from the taxable Turn Over in GSTR 9C 4) no credit notes have been furnished for verification. 5) Turnover Difference between GSTR 1, GSTR 3B & GSTR 9/9C. The current status of notice is pending for reply by taxpayer.

Mr. Pramod Gupta, Director of the company, attended multiple hearings regarding an audit under Section 65 of the CGST Act, during which various discrepancies were identified in the company's GST filings. The main issues include a liability difference of Rs 102,120/- between GSTR 1 and GSTR 3B for FY 2019-20, which needs to be paid with interest. Additionally, ITC worth Rs 10,948,406/- was reversed in FY 2019-20 despite being claimed and utilized in FY 2018-19, requiring interest recovery. A deduction of Rs 4.14 lakh from taxable turnover in GSTR 9C was unexplained, leading to a tax levy at 18%, while IGST was short-paid by Rs 398,080/-, needing payment with interest. Credit notes worth Rs 3,400,001/- were claimed, but the necessary documents were not initially submitted, and the resultant tax of Rs 610,122/- is payable. Debit notes worth Rs 1,533,732/- were issued, but the tax of Rs 169,008/- paid on them in a later tax period resulted in an interest liability under Section 50(1). Similarly, amendments led to additional tax payments requiring interest. ITC on RCM of Rs 741,392/- was overstated compared to the Rs 320,407/- actually paid, requiring adjustment. ITC worth Rs. 12,553,372/- was claimed, but suppliers failed to confirm this in GSTR 1, creating a discrepancy in

GSTR 2A, necessitating reversal or repayment with interest. There was also an unexplained rent income of Rs 37.25 lakh, and no proof was provided for tax paid on this. Additional issues involved differences in turnover between the P&L account and GSTR 9, short payments in IGST, and minor ITC claims for Rs 1,440/- from non-filers, which were disallowed. The taxpayer has responded to queries and later Order for dropping the proceedings issued under section 73/74 on Date : 29/08/2024 with Reference No. : ZD270824090378U.

Current Status: Order for dropping proceedings issued

- d) **Notice for intimating discrepancies in return in Form GST ASMT-10 issued with reference number ZD270623055868U, date of issuance being 29/06/2023 that As per section 61 (1) there is discrepancies found in the GST returns for period 2017-18 (as per rule 99) Liability counted to Rs 12,61,487/-.**

On issuance of notice the company made various submissions on various occasions. After final order the final demand of Rs.8,866/- was issued dated 31.12.2021 for period 2017-2018. The same was paid on 05.01.2022.

- e) **Notice for intimating discrepancies in return in Form GST ASMT-10 issued with reference number ZD2701220717894, date of issuance being 25/01/2022 that as per section 61(1) there is a discrepancy found in the GST Returns for period 2018-19 (as per rule 99) Liability amounts to Rs 82,20,073/-.**

The final order for period 2018-2019 dated April 24, 2023 was issued for payment of Rs.4,11,562/-. The payment was made and the receipt of which is as acknowledged by Deputy commissioner of State tax, Mumbai dated April 24, 2023.

- f) **Notice issued with reference id ZD2701220105035 and case id AD270122007627DU/s 73, Rule 142 (1A) Liability amounts to 8,866/-.**

The notice was issued in relation to payment of 8,866/-. The same was paid on 05.01.2022.

Current Status: Reply furnished, pending for action by tax officer

- g) **Notice for intimating discrepancies in return in Form GST ASMT-10 issued with reference number ZD2707210269374, that as per section 61(1) there is a discrepancy found in the GST Returns for period 2017-18 which is attached herewith (as per rule 99) liability risk amounts to Rs 23,99,400/- (In INR).**

The final demand of Rs.8,866/- was issued dated 31.12.2021 for period 2017-2018

Current Status: Reply furnished, pending for action by tax officer

GST Notices issued against PROMA INDUSTRIES LIMITED having GST No. 26AAACP6230G1ZP

1. **Notice U/s 61 and issued for intimating discrepancies in return in Form GST ASMT-10 with reference id ZD2602240004970 with date of issuance being 06/07/2021 discrepancies amounts 9.27 Lakhs.**

Current status: Reply furnished, Pending for order by tax officer

2. **Show Cause Notice issued and Summary thereof in Form GST DRC-01 with reference id ZD2612230007030 with date of issuance being 29/12/2023A Show Cause Notice (SCN) dated 25.12.2023 has been issued by the GST Officer, UTGST, Silvassa to M/s. Proma Industries Ltd., located at Plot No 40-B, B Nanji Industrial Estate, Silvassa, Dadra & Nagar Haveli. The notice, issued under Section 73(1) of the CGST Act, 2017, pertains to the scrutiny of GST returns for the tax period April 2018 to March 2019. During the scrutiny, discrepancies were noted between the input tax credit (ITC) claimed in Form GSTR-3B and that reflected in Form GSTR-2A. The taxpayer had previously submitted a reply stating that they had claimed ITC only on eligible tax invoices, but the department found that the ITC claimed did not match the data available on the GST portal. The department has noted that the taxpayer has availed ITC amounting to Rs. 97,476 (CGST: Rs. 48,738; UTGST: Rs.**



48,738), which was ineligible as per the provisions of Section 16(2) of the CGST Act, 2017, since the suppliers did not file their GSTR-1 and GSTR-3B returns, and the tax charged in respect of these supplies was not paid to the government. M/s. Proma Industries Ltd. has been directed to show cause within 30 days as to why the ineligible ITC should not be recovered, along with interest and penalties. The notice further informs the taxpayer that if the amount demanded is paid along with applicable interest within 30 days, no penalty will be imposed, and the matter will be considered concluded. If no response is received within the stipulated time, the case will be adjudicated ex-parte based on the available records. The notice also reserves the right to take further action, including demand for duty and penalties, in case further investigations reveal additional discrepancies.

Current status: Pending for reply by taxpayer

3. Notice issued U/s 61 and for intimating discrepancies in return in Form GST ASMT-1 with reference id ZD2607210011250 with date of issuance being 09/02/2024 discrepancies amounts 1 Lakh.

Current status: Pending for reply by taxpayer.

GST Notices issued against YASHASH COMMODITIES PRIVATE LIMITED having GST No. 26AAACY1309F1ZO

1. The Central GST & Central Excise, Audit Commissionerate, Surat, has issued a notice (GST ADT - 01) to M/s Yashash Commodities Private Limited (GSTIN26AAACY1309F1ZO) for conducting an audit of their books of account and records for the financial years 2017-18 to 2021-22. As per Section 65 of the CGST Act, the company is required to provide necessary facilities for the audit, submit relevant documents, and assist in the timely completion of the audit. The company must appear in person or through an authorized representative on 26th September 2023 at 3rd Floor, Room No. 304, Time Square Building, Vapi, with their books of account and records. Failure to comply may lead to proceedings under the provisions of the Act.
2. Notice issued for intimating discrepancies in return in Form GST ASMT-10 with reference id ZS2612230839030 with date of issuance being 11/12/2023 for the financial year 2019-20, highlights discrepancies identified during the scrutiny of their GST returns. The first discrepancy pertains to the amendments in supplies declared in GSTR-9 for the previous fiscal year, where the company declared certain amounts but did not make any actual payment through DRC-03, as required. The total tax payable under CGST is Rs. 1,23,575.00. The second discrepancy relates to interest liability under Section 50 of the CGST Act, 2017, which mandates interest on delayed tax payments. A detailed table shows interest amounts due for delayed payments in various months of 2019 and 2020, with a total interest liability of Rs. 838. Additionally, a late fee of Rs. 2,050 is levied for the delay in filing the GSTR-3B return for March 2020. Lastly, the company availed input tax credit (ITC) on inward supplies from 2017-18 during April to September 2018, which was not appropriately declared, amounting to Rs. 1,47,654.00 under CGST and SGST, while Rs. 18,93,867.00 was declared under IGST.

5 *Disciplinary action taken by SEBI or Stock Exchanges*

As on the date of this Prospectus, no disciplinary action by the SEBI or Stock Exchanges initiated *against* our Group Companies.

6 *Other Material Litigations*

As on the date of this Prospectus, there are no other material litigations initiated *against* our Group Companies.

(b) Litigation by our Group Companies

1. Criminal Proceedings

As on the date of this Prospectus, the following are outstanding criminal proceedings initiated by Group Companies.

1. Proma Industries Limited vs Geetaben Hitesh Bhai Bhanderi.

Court Name: Metropolitan Magistrate, 48th Andheri, Mumbai

Case No.: SS/1534/ 2018

Fact of the case: In the matter of Proma Industries Limited versus Mrs. Geetaben Hitesh bhai Bhanderi, a complaint has been filed under Section 138 of the Negotiable Instruments Act, 1881. Proma Industries Limited, a public limited company, engaged in manufacturing and trading, asserts that Mrs. Bhanderi, proprietor of Pari Textiles, issued a check of Rs. 6,11,712, which bounced due to insufficient funds. Despite legal notice and subsequent non-payment, Mrs. Bhanderi failed to honor the dues. The complainant seeks legal action, including fine and imprisonment as per the law. The complaint is supported by documents including the bounced check, legal notice, and proof of dispatch. Witnesses from both banks and relevant postal authorities may be summoned. Mrs. Bhanderi is requested to appear before the court, failing which necessary legal action will be pursued.

Brief of the case: Proma Industries Limited is seeking to recover Rs. 6.11 Lakhs from Geetaben Hitesh Bhai Bhanderi. The amount represents the outstanding balance due for goods/services provided. The case was filed under Section 138 of the Negotiable Instruments Act, which pertains to dishonor of cheques. Proma claims that a cheque issued by Geetaben Hitesh Bhai Bhanderi was dishonored due to insufficient funds.

Current stage of the case: Non Bailable Warrants issued Against Defendant

Next date of hearing: 25.10.2024

2. Proma Industries Limited vs Shree Hanuman Tex Fab Pvt Ltd and Others.

Court Name: Metropolitan Magistrate, 63rd Andheri, Mumbai

Case No.: SS/1717/2018

Fact of the case: Proma Industries Limited filing a complaint against Shree Hanuman Tex fab Pvt. Ltd. and others under Section 138 of the Negotiable Instruments Act, 1881. Proma Industries alleges that it had a business relationship with the accused, selling materials as per their requirements and issuing invoices. The accused issued a cheque for Rs. 14,78,590/- to settle part of their debt, but it bounced due to insufficient funds. Proma Industries sent a legal notice demanding payment, but the accused failed to comply. The complaint includes exhibits such as the bounced cheque, legal notice, and proof of dispatch.

Brief of the case: Proma Industries Limited is pursuing recovery of Rs. 14.78 Lakhs from Shree Hanuman Tex Fab Pvt Ltd and Others. This amount is claimed as dues for delivered goods/services. The case involves the dishonor of a cheque issued by Shree Hanuman Tex Fab Pvt Ltd. Proma asserts that the cheque was returned due to insufficient funds.

Current stage of the case: Warrant issued against the accused and case is listed for appearance of accused persons and further proceedings.

Next date of hearing: 07.11.2024



3. Proma Industries Limited vs Loknayak Jayprakash Narayan Shetkari Sahakari Soot Girni Ltd.

Court Name: Metropolitan Magistrate, 48th Andheri, Mumbai

Case No.: Summary case/4801605/2023

Fact of the case: A complaint was filed under Section 138 r/w. 141 of the Negotiable Instruments Act, 1881. The complainant, Proma Industries Limited, alleges that the accused issued a cheque of Rs. 50,00,000/- which was dishonored due to insufficient funds. Despite legal notice, the accused failed to make payment. Proma Industries Limited seeks legal action, including imprisonment, fine, and compensation as per the law. The complaint is supported by documents such as board resolutions, copies of cheques, dishonored memo, legal notices, and proof of dispatch. The authorized representative of Proma Industries Limited, Mr. Pramod Gupta, is empowered to act on behalf of the company in legal proceedings.

Brief of the case: Proma Industries Limited is seeking to recover Rs. 2.71 Crores from Loknayak Jayprakash Narayan Shetkari Sahakari Soot Girni Ltd. The sum is alleged to be the unpaid balance for supplied goods/services. This case, filed under Section 138 of the Negotiable Instruments Act, involves a dishonored cheque issued by the defendant.

Current stage of the case: At Verification Stage

Next date of hearing: 18.09.2024

4. Proma Industries Limited vs M/S Variety Spinners Pvt Ltd and Others.

Court Name: Metropolitan magistrate, 44th Andheri, Mumbai

Case No.: SS/7157/2016

Fact of the case: The complaint lodged by M/s. Proma Industries Ltd. alleges that M/s. Variety Spinnders Pvt Ltd. and its directors issued a cheque worth Rs. 48,61,379, which was subsequently dishonored. The complaint details an agreement between the two parties for job-work manufacturing, wherein raw materials were supplied by the complainant. Despite repeated attempts, including serving a demand notice and a legal notice, the accused failed to rectify the situation or pay the demanded amount. Consequently, the complainant seeks the court's intervention to initiate legal proceedings against the accused, demanding compensation double the cheque amount and any other relief deemed appropriate by the court.

Brief of the case: Proma Industries Limited is pursuing the recovery of Rs. 48.61 Lakhs from M/S Variety Spinners Pvt Ltd and Others. The case centers on a dishonored cheque issued by the defendants. Proma claims that the cheque bounced due to insufficient funds in the account.

Current stage of the case: Awaiting service of notice/summons

Next date of hearing: 18.09.2024

5. Yashash Commodities Pvt. Ltd. vs Karthi Priya Proprietor of Nethans Spinning Mills

Court Name: Metropolitan Magistrate 63rd Andheri, Mumbai

Case No.: 1855/SS/2019

Fact of the case: Yashash Commodities Pvt. Ltd. is seeking to recover Rs. 10 Lakhs from Karthi Priya, proprietor of Nethans Spinning Mills, for unpaid goods/services.

Brief of the case: Filed under Section 138 of the Negotiable Instruments Act, the case involves a dishonored cheque issued by KarthiPriya. The plaintiff claims the cheque was returned due to insufficient funds, leading to legal action.

Current stage of the case: Non Bailable warrants issued Against Defendant
Next date of hearing: 07.12.2024

2. Civil and other Material Litigations

As on the date of this Prospectus, below are details civil proceedings initiated by our Company:

1) Proma Industries Limited vs Girnar Fibres Ltd

Court Name: National Company Law Tribunal, Chandigarh Bench, Court No.1
Case No.: C.P. (IB) - 197/2023

An application has been filed under section 7 of Insolvency and Bankruptcy code, 2016 with National Company Law Tribunal (NCLT), Chandigarh bench by Proma Industries Limited, Financial Creditor against Girnar Fibres Ltd, Corporate Debtor bearing case number: C.P. (IB) - 197/2023. The plaintiff is seeking initiation of Corporate Insolvency Resolution Process against Corporate Debtor, Girnar Fibres Ltd. Currently both the parties are requested to file the short-written submissions and the next date of hearing of July 09, 2024.

Fact of the case: Proma Industries Ltd. has filed a petition under Section 7 of the Insolvency and Bankruptcy Code (IBC) with the National Company Law Tribunal (NCLT) Chandigarh Bench against Girnar Fibres Ltd., seeking the initiation of insolvency proceedings. The petition cites a financial default amounting to ₹407.55 Crores. The debt originated from a loan provided for setting up a spinning unit for manufacturing cotton yarn, with the date of default recorded as December 31, 2004. Supporting documents include the loan agreement and letters from Girnar Fibres acknowledging the debt. Proma Industries has proposed Madan Lal Aggarwal as the Interim Resolution Professional (IRP) for the case.

Brief of the case: Proma Industries Ltd. has filed a petition under Section 7 of the Insolvency and Bankruptcy Code (IBC) with the National Company Law Tribunal (NCLT) as default of financial debt amounting to ₹407.55 Crores has been occurred. Supporting documents include the loan agreement and letters from Girnar Fibres acknowledging the debt. Further, Proma Industries has proposed Madan Lal Aggarwal as the Interim Resolution Professional (IRP) for the case. **Current stage of the case:** Both parties were directed to file short written submissions and now have been filed by learned counsel for the applicant. **Next date of hearing:** 17-10-2024

2) Proma Industries Ltd Vs State of M.P. Through the Collector

Court Name: High Court of Madhya Pradesh (Indore Branch)

Case No.: WP/12104/2012

A case has been filed against the collector of State of M.P by plaintiff, Proma Industries Ltd in High Court of Madhya Pradesh bearing case number: WP/12104/2012. Currently the case is pending for argument and the next date of hearing has not been announced yet.

Fact of the Case: A case has been filed against the collector of state of M.P by plaintiff, Proma Industries Ltd in High Court of Madhya Pradesh. The Collector of Stamp has passed an order for paying 1,16,32,400 /- + 50,000/- Penalty on agreement entered between Proma Industries Ltd & Girnar Fibres.

Brief of the Case: An agreement was made with the selling party for the future sale of a mortgaged undertaking. According to the agreement, the sale deed was to be executed only after the complete repayment of the loans. Proma Industries took possession of the undertaking/property in question. The agreement specified that stamp duty would



be paid at the time of executing the final sale deed, after all secured lenders' loans, which were charged against the property, had been fully satisfied. The possession of the property was given to Proma Industries for the purpose of running the unit.

However, the Collector of Stamp issued an order requiring the payment of stamp duty as if the sale deed had already been executed. Proma Industries Ltd. contended that the sale was not complete since the asset was still mortgaged. Consequently, Proma Industries Ltd. filed a writ petition in the High Court challenging this order.\

Current Stage of the Case: Pending for Argument; **Next Date of hearing:** Next date of hearing is not announced yet.

6. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As per the materiality policy of our Company, a creditor of our Company, shall be considered material (“**Material Creditor**”) for disclosure in this Prospectus, if an amount due to such creditor exceeds 10% of the total consolidated trade payables.

As on March 31, 2024, our company as per the Micro, Small, Medium Enterprises Development Act, 2006 with aggregating payable or outstanding amounting to 188.81 Lakhs. Details of amounts outstanding to MSME and other creditors is as follows:

(₹ in Lakhs)

PARTICULARS	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2022
Micro, Small and Medium Enterprises	188.81	27.49	25.51
Other Creditors	130.36	312.43	195.26
Total	319.71	339.92	220.77

Complete details of outstanding dues to our creditors as on March 31, 2024 is available at the website of our Company i.e., www.divyadhan.in. It is clarified that information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, www.divyadhan.in, would be doing so at their own risk. For further details, please refer to the section titled “*Financial Information*” on page 173 of this Prospectus.

7. MATERIAL DEVELOPMENT OCCURRING AFTER LAST BALANCE SHEET DATE I.E., MARCH 31, 2024

Except as disclosed in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company” beginning on page number 202 of this Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

8. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

We certify that except as stated herein above:

- a. 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, promoters, group entities, companies promoted by the promoters during the past three years.
- b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- g. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.
- h. There are no status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- i. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.
- j. Neither the Company nor any of its promoters or directors is a willful defaulter.



GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 134 of the Prospectus.

CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on June 01, 2024 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated June 04, 2024 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated September 06, 2024 to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated February 08, 2024 with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is “Skyline Financial Services Limited” for the dematerialization of its shares.
2. The Company has entered into an agreement dated August 05, 2024 with the National Securities Depository Limited (NSDL), and the Registrar and Transfer Agent, who, in this case, is “Skyline Financial Services Limited” for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE0QYI01019.

INCORPORATION DETAILS OF OUR COMPANY

S.N.	Authorisation granted	Issuing Authority	CIN	Date of Issue	Valid up to
1.	Certificate of Incorporation in the name of “ <i>Divyadhan Consultants Private Limited</i> ”	ROC, Mumbai	U93000MH2010PTC202686	03/05/2010	10/11/2023
2.	Certificate of Incorporation for change in name of the company from “ <i>Divyadhan Consultants Private Limited</i> ” to “ <i>Divyadhan</i>	ROC, Mumbai	U39000MH2010PTC202686	10/11/2023	02/03/2024



	Recycling Industries Private Limited“				
3.	Certificate of Incorporation for conversion from Private to Public company in the name of “Divyadhan Recycling Industries Limited”	ROC, Mumbai	U39000MH2010PLC202686	02/03/2024	Perpetual

* CIN of the Company has been changed pursuant to conversion of being private company to public company.

TAX RELATED AUTHORISATIONS OF COMPANY

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number	Income Tax Department, GoI	AADCD4621Q	03/05/2010	Perpetual
2.	Tax Deduction Account Number	Income Tax Department, GoI	MUMD18109A	02/08/2024	Perpetual
3.	GST Registration Certificate (Solan, Himachal Pradesh)	Central Goods and Services Tax Act, 2017	02AADCD4621Q 1ZO	03/04/2024	Valid until cancellation
4.	GST Registration Certificate (Mumbai, Maharashtra)	Central Goods and Services Tax Act, 2017	27AADCD4621Q 1ZC	27/06/2024	Valid until cancellation
5.	Passengers and Goods Tax Certificate	Excise and Taxation Department, Government of Himachal Pradesh	54030202291	01/11/2021	Valid until cancellation
6.	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975*	Sales Tax Department	*99582186761P	18/04/2021	Valid until cancellation

*Note: The company had Professional tax registration from April 18, 2014. The application for change of name in Professional Tax registration has been filed and is pending for processing.

LABOUR LAW RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue/Date of Renewal	Valid upto
1.	Employees' Provident Funds and Miscellaneous	Office of the Regional Provident Fund, Shimla	HPSML1742020000	23/06/2018	Valid until cancellation



	Provisions Act, 1952				
2.	Employees' State Insurance Act, 1948	Regional Office, Employee State Insurance Corporation	14001558620000199	23/06/2018	Valid until cancellation
3.	Factory License under Factories Act, 1948	Labour Department, Government of Himanchal Pradesh	L&E(FAC)9-2018712-2655	01/01/ 2024	31/12/2024

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue/Date of Renewal	Valid upto
1.	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprise, GOI	UDYAM-HP-11-0001236	10/11/2020	Valid until cancellation
2.	ISO 14001:2015 (Environmental Management System)	TUV SUD South Asia Private Limited	9910401233	**The application is in process for renewal.	
3.	ISO 9001:2015 (Quality Management System)	TÜV SÜD South Asia Private Limited	9910021562	26/04/2021	28/09/2026
4.	Import-Export Code	DGFT, Ministry of Commerce and Industry	AADCD4621Q	08/12/2017	Valid until Cancellation
5.	Certificate of Establishment	Himachal Pradesh State Pollution Control Board	HPSPCB/ 27011	27/07/2018	Valid until Cancellation
6.	Global Recycled Standard (Version 4.0)	Bureau Veritas Consumer Products Services Inc	TE-BVIN0009	13/09/2023	26/07/2024
7.	BIS Certification Marks as per IS 17263:2022	Bureau of Indian Standards, Government of India	9600078275	18/06/2023	17/06/2025
8.	Generation, Storage and Disposal of Hazardous Wastes	Pollution Control Board of Himachal Pradesh	SOL-D-101 Baddi/2022	01/04/2020	31/03/2025
9.	License from Fire Department	Directorate Of Fire Services, Himachal Pradesh	App/08/16/23/8/127	04/10/2023	03/10/2025
10.	Maharashtra shop and	Department of Labour	820350770 /	24/07/2024	23/07/2034



	Establishments (Regulations of Employment and conditions of Service) Act ,2017		L Ward / COMMERCIAL II		
11.	Global Recycled Standard (Version 4.0)	Bureau Veritas Consumer Products Services Inc	BVC-TE-BVIN0009-GRS-2408-20000149-V1.0	30-08-2024	25-07-2025

***For ISO 14001:2015 (Environmental Management System) certificate, the company was scheduled for audit dated August 27, 2024 and August 28, 2024. The first audit has been completed, however date of second audit has not been confirmed by the respective department.*

Intellectual Property Rights

For the details of intellectual property rights, please refer to chapter titled “Our Business” under the heading “Intellectual Property Rights” on page 120 of the Prospectus.

Domain

The company has applied for 2 (Two) domains in its own name, the details of which are given on page 120 under the chapter titled “Our Business” under the heading “Domain” of the Prospectus.

Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/ Licenses required for the proposed expansion.

Except as disclosed below, our Company do not have any pending licenses, permissions, and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies which applied for but not yet received:

S. No.	Issuing Authority	Application Number	Date of Application for renewal	Current Status
1.	Consent to Establish/Operate/Renewal the Industry under Air (Prevention & Control of Pollution) Act, 1981	12159640	July 11, 2024	The application is in process for renewal.
2.	Consent to Operate/Renewal the industrial plant/ plants under Water (Prevention & Control of Pollution) Act, 1974	12159640	July 11, 2024	The application is in process for renewal.

Note: Some of the approvals are in the name of Divyadhan Consultants Private Limited & Divyadhan Recycling Industries Private Limited and the Company is in the process of taking all the approval in the new name of the Company i.e. Divyadhan Recycling Industries Limited.

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.



OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

1. This Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on June 01, 2024
2. The Shareholders of our Company have authorized this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its Extra Ordinary General Meeting held on June 04, 2024, and authorized the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated September 06, 2024 to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Draft Red Herring Prospectus through its resolution dated June 28, 2024.
5. Our Board has approved this Red Herring Prospectus through its resolution dated September 18, 2024.
6. Our Board has approved this Prospectus through its resolution dated October 01, 2024.
7. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled "*Government and Other Approvals*" beginning on page number 234 of this Prospectus.

Prohibition by SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Prohibition by RBI or Governmental authority

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018 as per the applicability.

Directors associated with the Securities Market

We confirm that none of our directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Prospectus.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post Offer face value capital is More than Rs.1,000 Lakh, But upto 2,500 Lakh. Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of our Equity Shares.

We confirm that:

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the BRLM to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to “General Information” Underwriting on page 48 of this Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the BRLM shall ensure that the Issuer shall file a copy of the Red Herring Prospectus/ Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the BRLM will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “General Information”, “Details of the Market Making Arrangements for this Issue” on page 48 of this Prospectus.
- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.



- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, none of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a willful defaulter or fraudulent borrower.
- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.
- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.
- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

NSE ELIGIBILITY NORMS:

1. The Company has been incorporated under the Companies Act, 1956 in India.
2. The post issue paid up capital of the Company (face value) will not be more than Rs. 2,500.00 Lakh.
3. **Track Record:**

1. **The Company should have a track record of at least 3 (three) years.**

Our Company was incorporated on 03/05/2010 under the provisions of Companies Act, 1956, and we satisfy the criteria of Track Record:

On the basis of restated financial statements:

(Amount in Lakhs)

Particulars	2023-2024	2022-23	2021-22
Net Profit as per Restated Financial Statement	237.80	216.18	52.91

2. The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and that the Company has track record of 3 years & the net-worth of the Company should be positive.

(Amount in Lakhs)

Particulars	2023-2024	2022-23	2021-22
Operating profit (earnings before interest, depreciation and tax)	570.18	506.67	289.64



Net-worth	1291.03	853.23	637.05
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4. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent. The Company's shares bear an ISIN: INE0QYI01019.

5. The company shall mandatorily have a website.

Our Company has a live and operational website is www.divyadhan.in.

Other Listing Requirements

- a) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- b) There is no winding up petition against the company that has been admitted by the Court and accepted by a court or Liquidator has not been appointed.
- c) There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to NSE India for listing on Emerge Platform of NSE India.
- d) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- e) Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
- f) None of the Directors of our Company have been categorized as a Willful Defaulter or fraudulent borrowers.
- g) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE Emerge.

COMPLIANCE UNDER REGULATION 300 OF SEBI(ICDR) REGULATIONS

No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, NARNOLIA FINANCIAL SERVICES LIMITED AS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO



FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, NARNOLIA FINANCIAL SERVICES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, NARNOLIA FINANCIAL SERVICES LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED OCTOBER 01, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY 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 THE PROSPECTUS.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, its Directors and the BRLM accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.divyadhan.in & www.narnolia.com would be doing so at his or her own risk.

Caution

The BRLM accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the BRLM shall make all information available 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 collection centers, *etc.* The BRLM and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, 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 of our Company. Our Company and the BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such an investor is eligible to acquire Equity Shares.



Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

Disclaimer Clause of the Emerge Platform of NSE

NSE Limited (NSE) has given vide its letter dated September 06, 2024 permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;



warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

- iv. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- v. The Company has chosen the Emerge platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.

DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and the track record of the past Issues handled by the BRLM to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Annexure A to the Prospectus and the website of the BRLM at www.narnolia.com.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

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ANNEXURE-A

Disclosure of Price Information of Past Issues Handled by Merchant Banker

TABLE 1

S. No.	Issuer Name	Issue Size (Rs. in Cr.)	Issue Price (Rs.)	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
Initial Public Offering - Main Board								
N.A.								
Initial Public Offering – SME Exchange								
1.	Drone Destination Limited	44.20	65	21 July 2023	107.45	15.91% (1.78%)	16.15% (0.61%)	43.04% 9.25%
2.	Yudiz Solutions Limited	44.84	165	17 August 2023	185.00	(5.59%) 4.48%	(19.16%) 1.81%	(19.30%) 12.51%
3.	Cellecor Gadgets Limited	50.77	92	28 September 2023	96.00	131.85% (2.44) %	214.35% 10.92%	123.10% 12.71%
4.	Inspire Films Limited	21.23	59	05 October 2023	67.85	(3.28%) (1.61) %	(6.57%) 10.09%	(53.43%) 14.88%
5.	Womancart Limited	9.56	86	27 October 2023	122.85	43.85% 3.92%	16.24% 12.10%	3.42% 17.61%
6.	Supreme Power Equipments Limited	46.67	65	29 December 2023	102.90	81.17% (1.74%)	18.42% 2.74%	225.46% 9.84%
7.	Akanksha Power and Infrastructure Limited	27.49	55	03 January 2024	65.10	93.79% 1.56%	29.03% 4.35%	124.19% 12.20%
8.	Addictive Learning Technology Limited	6016	140	30 January 2024	294.50	(6.84%) 1.00%	(4.87%) 5.03%	(7.31%) 15.40%
9.	Radiowalla Network Limited	14.25	76	05 April 2024	120.15	4.45% (0.40%)	5.78% 7.94%	N.A.
10.	Z-Tech (India) Limited	37.30	110	05 June 2024	100.00	185.90% 7.53%	254.60% 11.76%	N.A.
11.	Aesthetik Engineers Limited	26.47	58	16 August 2024	110.20	(31.13%) 3.43%	N.A.	N.A.
12.	Share Samadhan Limited	24.06	74	16 September 2024	73.05	N.A.	N.A.	N.A.

TABLE 2

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Amount of Funds raised. (Rs. Cr.)	No. of IPOs trading at discount-30th calendar days from listing			No. of IPOs trading at premium-30th calendar days from listing			No. of IPOs trading at discount-180th calendar days from listing			No. of IPOs trading at premium-180th calendar days from listing		
			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%



2023-24	8	304.92	-	-	3	3	1	1	1	-	2	3	1	1
2024-25	4	102.08	-	1	-	1	-	1		N.A.			N.A.	

Note: Listing date is considered for calculation of total number of IPO's in the respective financial year.

LISTING

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. NSE/LIST/4079 dated September 06, 2024.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Prospectus. If such money is not repaid within 4 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 4 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE Limited mentioned above are taken within three Working Days from the Offer Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
 - (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
 - (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*
- shall be liable for action under section 447.*

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.



The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

CONSENTS

Consents in writing of: (a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) BRLM, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing Prospectus to ROC) and will be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with NSE.

EXPERT OPINION

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Peer Review Auditors for years ended on 31st March 2024, 31st March 2023 and 2022, our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

We have not made any previous rights and/or public issues since incorporation and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Other than as detailed under chapter titled “Capital Structure” beginning on page 56 of the Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Prospectus.

PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Prospectus. Further, as on the date of this Prospectus our company has no Listed Subsidiary.



PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as on date of this Prospectus our Company has no listed corporate promoters and no listed subsidiary company.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of the Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

OPTION TO SUBSCRIBE

Equity Shares being offered through this Prospectus can be applied for in dematerialized form only.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Offer is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Applicant.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.



Our Company has appointed Mr. Pramod Kumar Gupta as the Company Secretary and Compliance Officer and may be contacted at the following address:

DIVYADHAN RECYCLING INDUSTRIES LIMITED

1803, Lodha Supremus, Saki Vihar Road,
Opp. Telephone Exchange, Powai, Mumbai City,
Maharashtra - 400072, India.
Tel.: +91- 89284 34702; Fax: N.A.
E-mail: cs@divyadhan.in
Website: www.divyadhan.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offeror post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

This space has been left blank intentionally.



SECTION VIII – ISSUE 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, Red Herring Prospectus, Prospectus, Abridged 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 SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+3 days. Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the Phase II of the UPI ASBA till further notice.

The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing T+6 days to T+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023, and Mandatory for public issues opening on or after December 1, 2023.

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.

The Offer

The Offer consists of a Fresh Issue by our Company. Expenses for the Offer shall be Borne by our Company in the manner specified in “Objects of the Issue” on page 77 of this Prospectus.

Ranking of Equity Shares

The Equity Shares being Offered/Allotted in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association, SEBI ICDR Regulations and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of



Allotment of Equity Shares under this issue will be entitled to dividends, Voting Power and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on June 01, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the Extra-Ordinary General Meeting of the Company held on June 04, 2024

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders 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, 2013. Dividends, if any, declared by our Company after the date of Allotment will be payable to the transferee who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapter titled Dividend Policy beginning on pages 172 of this Prospectus.

Face Value and Issue Price

The face value of each Equity Share is Rs. 10/- and the Offer Price at the lower end of the Price Band is Rs. 60/- per Equity Share and at the higher end of the Price Band is Rs. 64/- per Equity Share. The Anchor Investor Offer Price is Rs. 64/- per Equity Share.

The Price Band and the Bid Lot will be decided by our Company, in consultation with the BRLM, and published by our Company in all edition of Financial Express (a widely circulated English national daily newspaper) and in all edition of Jansatta (a widely circulated Hindi national daily newspaper) and in a regional language, Prahtakaal, of Mumbai, Maharashtra, where our Registered Office is located at least two Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchange for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with the disclosure and accounting norms

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.



Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “Main Provisions of Articles of Association” on page 298 of this Prospectus.

Allotment only in Dematerialized form

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Prospectus:

- Tripartite agreement dated February 08, 2024 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated August 05, 2024 among NSDL, our Company and the Registrar to the Issue.

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 a body corporate 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 2,000 Equity Shares and the same may be modified by the NSE 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 2,000 Equity Shares subject to a minimum allotment of 2,000 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

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 ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares and the same may be modified by the EMERGE Platform of NSE from time to time by giving prior notice to investors at large. For further details, see “Issue Procedure” on page 259 of this Prospectus.



Minimum Number of Allottees

Further in accordance with Regulation 268(1) of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in 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. persons (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 the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being an nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall 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/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be titled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.



Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their 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, Promoters minimum contribution as provided in “Capital Structure” on page 56 of this 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 “Main Provisions of Articles of Association” on page 298 of this 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 BRLM do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the BRLM 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 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.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 2,000 shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

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 BRLM through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant



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.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

Minimum Subscription

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Offer, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” on page 48 of this Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Further, in accordance with Regulation 268 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 50 (Fifty).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Period of Subscription List of the Public Issue

Event	Indicative Date
Offer Opening Date	September 26, 2024
Offer Closing Date	September 30, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before October 01, 2024
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account*	On or before October 03, 2024
Credit of Equity Shares to Demat Accounts of Allottees	On or before October 03, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before October 04, 2024



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/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company and the BRLM 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 Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue 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.

**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/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, for which period shall start from the day following the receipt of a complaint from the Bidder. The BRLM 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 in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 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 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, 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 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.

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 Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of 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).

Migration to Main Board

In accordance with the National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our company may migrate to the main board of NSE Limited at a later date subject to the following:

- a. *If the Paid-up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

Further, as per the NSE Circular no. 01/2023 dated April 20, 2023, Following are the Eligibility criteria for Migration from NSE SME Platform to NSE Main Board:

1. Our company should have been listed on SME platform of the Exchange for at least 3 years.
2. Our company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
3. The total number of public shareholders of our company on the last day of the preceding quarter from date of application should be at least 1000 (One Thousand).
4. The Net worth of our company should be at least 50 crores.

Market Making

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the Emerge 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 NSE Limited. For further details of the market making arrangement please refer to chapter titled General Information beginning on page 48 of this Prospectus.

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.

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ISSUE PROCEDURE

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the BRLM would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Prospectus.

All Applicants shall review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Document will also be available on the websites of the Stock Exchange and the BRLM, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

The 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 01, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase-I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of six months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular



SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023, and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

REDUCTION OF TIMELINE FOR LISTING OF SHARES IN PUBLIC ISSUE FROM EXISTING T+6 DAYS TO T+3 DAYS

The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing t+6 days to t+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023 and Mandatory for public issues opening on or after December 1, 2023.

Consequent to extensive consultation with the market participants and considering the public comments received pursuant to consultation paper on the aforesaid subject matter, it has been decided to reduce the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the requirement of 6 working days (T+6 days); 'T' being issue closing date.

The T+3 timeline for listing shall be appropriately disclosed in the Offer Documents of public issues.

Notwithstanding anything contained in Schedule VI of the ICDR Regulations, the provisions of this circular shall be applicable:

- On voluntary basis for public issues opening on or after September 1, 2023, and
- Mandatory for public issues opening on or after December 1, 2023.

The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022, shall stand modified to the extent stated in this Circular.

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 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively and the provisions of this circular, as amended, are deemed to form part of this Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days. 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 01, 2022) whose application sizes are up to Rs. 5,00,000/- shall use the UPI Mechanism.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on www.nseindia.com. For details on their designated branches for submitting Application Forms, please see the above mentioned website of NSE.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.

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 Prospectus.

BOOK BUILT PROCEDURE

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.



The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Abridged Prospectus/ Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLM to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

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 will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI 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 Retail Individual applicant, 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 commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for



blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

- 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 +3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed Axis Bank Limited as the Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Investors into the UPI mechanism.

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 no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than Rs. 200,000 and up to Rs. 5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The processing fees for applications made by Retail 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 (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.



Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The RIS Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Issue. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

ASBA Bidders (other than RIBs 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 Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail 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. RIBs 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.

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White

**Excluding electronic Bid cum Application Form*

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.
- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.
- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

ELECTRONIC REGISTRATION OF BIDS

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Prospectus.
- c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- a. An SCSB, with whom the bank account to be blocked, is maintained;
- b. A syndicate member (or sub-syndicate member);
- c. A stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (broker);
- d. A depository participant (DP) (Whose name is mentioned on the website of the stock exchange as eligible for this activity);
- e. A registrar to an issuer and share transfer agent (RTA) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:



For Applications submitted by investorsto SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the 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.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants category;
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;

- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- 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;
- Insurance funds set up and managed by army, navy or air force of the Union of India
- Any other person eligible to applying in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES OF BRLM

The BRLM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the BRLM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Abridged Prospectus/ Prospectus may be obtained from the Registered Office of our Company, BRLM to the Issue and The Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE Limited i.e. <https://www.nseindia.com>.

OPTION TO SUBSCRIBE IN THE ISSUE

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu



Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds.

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY ELIGIBLE NRI

Eligible NRIs may obtain copies of Application Form from the members of the Syndicate, the sub- Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than Rs. 2,00,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding Rs. 2,00,000 would be considered under the Non-Institutional Category for allocation in the Offer.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with an income thereon subject to permission of the RBI and



subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-Residents (blue in color). For details of restrictions on investment by NRIs, please refer to the chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on page 293 of this Prospectus.

APPLICATIONS BY ELIGIBLE FIIs/FPIs

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, 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 that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client‘ norms. Further, pursuant to a Circular dated



November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Offer.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURECAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the “SEBI VCF Regulations”) and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the “SEBI AIF Regulations”) prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the issue only through the ASBA Process.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the IRDA Investment Regulations), are broadly set forth below:

1. Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. 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
3. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000.00 million or more but less than Rs. 2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

APPLICATIONS BY BANKING COMPANIES

Applications by Banking Companies: In case of Applications 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 Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 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.



APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, 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 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 90 days on fifty per cent of the shares allotted to the anchor investors from the date of allotment, and a lock-in of 30 days on the remaining fifty per cent of the shares allotted to the anchor investors 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.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the BRLM may deem fit.



Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 2,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.

INFORMATION FOR THE APPLICANTS:

- a) Our Company will file a copy of Red Herring Prospectus with the Registrar of Companies, Delhi, at least 3 (three) days before the Issue Opening Date.
- b) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Application Form can obtain the same from our Registered Office or from the office of the BRLM.



- c) Applicants who are interested in subscribing for the Equity Shares should approach the BRLM or their authorized agent(s) to register their applications.
- d) Applications made in the name of minors and/ or their nominees shall not be accepted.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Bids should be submitted on the prescribed Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid cum application form. Bids not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand payable at Mumbai.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE Limited i.e. www.nseindia.com.

BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the Bid cum application form is mandatory and Bids that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, 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'). Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs / Allocation 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 Bidders 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 BIDS

- I. During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- II. In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- III. For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the Red Herring Prospectus.



ALLOTMENT PROCEDURE

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

1. On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
2. RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
3. Third party confirmation of applications to be completed by SCSBs on T+1 day.
4. RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
5. Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
6. The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
7. The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

Process for generating list of allottees: -

- a) Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- b) In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- c) In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- d) On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).



2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
 - a) For applications where the proportionate allotment works out to less than 2,000 equity shares the allotment will be made as follows:
 1. Each successful applicant shall be allotted 2,000 equity shares; and
 2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
 - b) If the proportionate allotment to an applicant works out to a number that is not a multiple of 2,000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 equity shares.
 - c) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
 - d) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 2. The balance net offer of shares to the public shall be made available for allotment to
 - a) Individual applicants other than retails individual investors and
 - b) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/maybe made available for allocation to applicants in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/.

Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE – the Designated Stock Exchange in addition to BRLM 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.



INFORMATION FOR BIDDERS

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchange to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the BRLM are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 the Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- All Bidders should submit their Bids through the ASBA process only
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre
- In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Application Form;
- Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
- Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Application Form;
- RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
- RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

- RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Offer;
- RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
- RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms
- QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the 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 you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
- Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. 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;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the category and the investor status is indicated;



- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Red Herring Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Bid;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- RIBs 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 RIB may be deemed to have verified the attachment containing the application details of the RIB 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 Application Form;
- RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank before 5:00 p.m. before the Bid / Offer Closing Date;
- RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs 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 RIB's ASBA Account;
- RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
- Bids by Eligible NRIs and HUFs for a Bid Amount of less than Rs. 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding Rs. 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The 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:



- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest
- RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer.
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
- All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Application Form is liable to be rejected if the above instructions, as applicable, are not complied with

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.



Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the BRLM reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

- 1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- 2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central



or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Bid submitted without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUND FOR REJECTIONS

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, the bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form
- Bids submitted on a plain paper
- Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI
- ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary
- Bids under the UPI Mechanism submitted by RIBs 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);
- Bids submitted without the signature of the First Bidder or sole Bidder
- The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- 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;
- GIR number furnished instead of PAN;
- Bids by RIBs with Bid Amount of a value of more than Rs. 2,00,000;
- Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals
- Bids accompanied by stock invest, money order, postal order or cash; and
- Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange
- Applications by OCBs;

IMPERSONATION



Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated September 13, 2024 this issue is 100% Underwritten.

FILING OF THE RED HERRING PROSPECTUS / PROSPECTUS WITH THE ROC

The Company will file a copy of the Red Herring Prospectus/ Prospectus with the Registrar of Companies, Mumbai and in terms of Section 26 of Companies Act, 2013.

EQUITY SHARES IN DEMATERIALISED 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:

- i. We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the offer dated August 05, 2024.
- ii. We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the offer on February 08, 2024.

The Company's Equity shares bear an ISIN INE0QYI01019.

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.

TERMS OF PAYMENT

The entire Issue price of Rs. 64/- 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 or Sponsor Bank to unblock the excess amount paid on Application to the Bidders.

SCSBs or Sponsor Bank 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 or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM FOR APPLICANTS

The Bidders shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid or for unsuccessful Bids, 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 Applicant, 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 Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 5,00,000, may use UPI.



PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or banks for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

PAYMENT INTO ESCROW ACCOUNT(S) FOR ANCHOR INVESTORS

Our Company, in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of:

- (a) In case of resident Anchor Investors: “Divyadhan Recycling Industries Limited Anchor Investor R Account”; and
- (b) In case of Non-Resident Anchor Investors: “Divyadhan Recycling Industries Limited Anchor Investor NR Account”.

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company and the Syndicate, if any the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, shall be in the format prescribed in Part A of Schedule VI of the SEBI Regulations.

ISSUANCE OF ALLOTMENT ADVICE

On the Designated date, the SCSBs shall transfer the funds represented by allocation of equity shares into public issue account with the banker to the issue. Upon approval of the basis of the allotment by the Designated Stock Exchange, the Registrar to the Issue shall upload the same on its website. On the basis of approved basis of allotment, the issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their respective depository participants to accept the equity shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions the Registrar to the Issue will dispatch allotment advice to the applicants who have been allotted equity shares in the issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer



DESIGNATED DATE

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the 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.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Stock Exchange, along with the 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.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any allotment in excess of the Equity Shares offered through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

DISPOSAL OF APPLICATION AND APPLICATION MONIES AND INTEREST IN CASE OF DELAY

The company shall ensure the dispatch of allotment advice, instruction to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the stock exchange within one (1) working day of the date of allotment of equity shares.

The company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge platform of NSE, where the equity shares are proposed to be listed are taken within three (3) working days of the closure of the issue.

MODE OF REFUNDS

a) In case of ASBA Applicants: Within 3 (three) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer

b) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the applicant on account of conversion of foreign currency.

c) In case of Other Investors: Within Three Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to



the Offer may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

MODE OF MAKING REFUNDS FOR APPLICANTS OTHER THAN ASBA APPLICANTS

The payment of refund, if any, may be done through various modes as mentioned below:

(i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the applicant as obtained from the Depository

(ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants' through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the applicant, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Investors' account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the BRLM or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

(v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Investors may refer to Red Herring Prospectus and Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in

the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

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 in accordance with applicable law. 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 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within Three Working Days of Issue Closing Date or such time as prescribed;
5. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
6. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within Three Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
7. That no further Issue of Equity Shares shall be made till the Equity Shares issued through this Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
9. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
10. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time; and



UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The LM, 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. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and
2. The final RoC approval for the Prospectus after it is filed with the concerned RoC.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh Draft Red Herring prospectus with stock exchange.

COMMUNICATIONS

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated intermediary to the Issue where the Application 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.



ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the BRLM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the BRLM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA PROCESS

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (ASBA Account) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except



Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB. Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue. The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

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RESTRICTION 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 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. Foreign investment is allowed up to 100% under automatic route in our Company.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to 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 Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. The Equity Shares offered in the Issue have not been and will not be registered under the 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 Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Applicants. Our 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 Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

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ISSUE STRUCTURE

This Issue has been made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations whereby, our post-issue face value capital is more than ten crore rupees and upto twenty-five crore rupees. The Company shall issue specified securities 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 Limited). For further details regarding the salient features and terms of this Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 250 and 259 of this Prospectus.

Present Issue Structure

Initial Public Offer of 37,76,000 Equity Shares of Rs. 10/- each ("Equity Shares") of Divyadhan Recycling Industries Limited ("DRIL" or the "Company") for cash at a price of Rs. 64/- per equity share (the "Issue Price"), aggregating to Rs. 2,416.64 Lakhs ("The Offer"). Out of the Issue, 2,00,000 equity shares aggregating to Rs. 128.00 Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e., Issue of 35,76,000 equity shares of face value of Rs. 10.00/- each at an issue price of Rs. 64/- per equity share aggregating to Rs. 2,288.64 Lakhs is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 26.39% and 25.00%, respectively, of the Post Issue paid up equity share capital of our company.

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	2,00,000 Equity shares	17,86,000 Equity shares	5,38,000 Equity shares	12,52,000 Equity shares
Percentage of Issue Size available for allocation	5.59% of the issue size	Not more than 50.00% of the Net offer size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. 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.	Not less than 15.00% of the Offer shall be available for allocation.	Not less than 35.00% shall be available for allocation.

Basis of Allotment	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion: (a) up to 35,800 Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) 7,16,000 Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above 10,70,000 Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled “Offer Procedure” beginning on page 259.	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Offer Procedure” on page 259.
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).			
Minimum Bid Size	2,000 Equity Shares in multiple of 2,000 Equity shares	Such number of Equity Shares and in multiples of 2,000 Equity Shares that the Bid Amount exceeds Rs. 200,000.	Such number of Equity Shares and in multiples of 2,000 Equity Shares that the Bid Amount exceeds Rs. 200,000.	2,000 Equity Shares in multiple of 2,000 Equity shares so that the Bid Amount does not exceed Rs. 2,00,000.
Maximum Application Size	2,000 Equity Shares	Such number of Equity Shares in multiples of 2,000 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits.	Such number of Equity Shares in multiples of 2,000 Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder.	Such number of Equity Shares in multiples of 2,000 Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000.
Mode of Allotment	Dematerialized Form			
Trading Lot	2,000 Equity Shares, however, the Market Maker may accept odd lots if any	2,000 Equity Shares and in multiples thereof	2,000 Equity Shares and in multiples thereof	2,000 Equity Shares and in multiples thereof



	in the market as required under the SEBI ICDR Regulations			
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form.			

Note:

1. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
2. Applicants will be required to confirm and will be deemed to have represented to our Company, the BRLM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on Emerge exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in Rs.)	Lot Size (No. of shares)
Upto 14	10000
More than 14 upto 18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600
More than 90 upto 120	1200
More than 120 upto 150	1000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above 1000	100

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with BRLM, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

**50% of the shares offered are reserved for applications below Rs.2.00 lakh and the balance for higher amount applications.*



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 two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper, where the Registered office of the Company is situated.

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, Maharashtra.

ISSUE PROGRAMME

ISSUE OPENING DATE	September 26, 2024
ISSUE CLOSING DATE	September 30, 2024

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bidform, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from non-retail applicants i.e. QIBs, HNIs and employees (if any).

A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by BRLM to the Exchange within half an hour of such closure.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

THE COMPANIES ACT, 2013 (COMPANY LIMITED BY SHARES) ARTICLES OF ASSOCIATION OF

DIVYADHAN RECYCLING INDUSTRIES LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to special resolution passed at the Extra Ordinary General Meeting of the Company held on December 13, 2023 in substitution for, and to the entire exclusion of, the earlier regulations comprised on the extant Articles of Association of the Company.

PRELIMINARY

1. The Regulations contained in Table F in Schedule I to the Companies Act, 2013 shall apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the Company and its members as if they are the terms of an agreement between them.

INTERPRETATION

2. (i) In these Regulations:-

(a) "**Company**" means **DIVYADHAN RECYCLING INDUSTRIES LIMITED**

(b) "**Office**" means the Registered Office of the Company.

(c) the Act" means the "Companies Act, 2013 and every statutory modification or re-enactment thereof and references to Sections of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.

(d) "these Regulations" means these Articles of Associations as originally framed or as altered, from time to time.

(e) "the office" means the Registered Office for the time being of the Company.

(f) "the Seal" means the common seal and stamp of the Company.

Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall includes bodies corporate and all other persons recognized by law as such.

(g) "month" means a calendar month and "year" means financial year respectively.

(h) Expressions referring to writing shall be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

- (i) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.
- (j) The Company is a “**Public Company**” within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly means a company which-
- is not a private company;
 - has minimum paid up share capital , as may be prescribed.

Title of Article	No.	Content
CAPITAL AND INCREASE AND REDUCTION OF CAPITAL		
Share Capital	3	The Authorised Share Capital of the Company shall be such amount; divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association of the Company; with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential , convertible, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force.
Increase of Capital by the Company how carried into effect	4	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new shares which may be unclassified and may be classified at the time of issue in one or more classes and such amount or amounts as may be deemed expedient. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Companies Act, 2013. Whenever the capital of the Company has been increased under the provisions of this Articles the Directors shall comply with the provisions of Section 64 of the Companies Act, 2013.
New Capital same as existing capital	5	Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Non Voting Shares	6	The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, in the event it is permitted by law to issue shares without voting rights attached to the subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
Redeemable Preference Shares	7	Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.



Voting rights of preference shares	8	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares and in circumstances provided under Section 47(2).
Provisions to apply on issue of Redeemable Preference Shares	9	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:</p> <ul style="list-style-type: none"> (a) 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. (b) No such Shares shall be redeemed unless they are fully paid. (c) 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. (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company. (e) Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of preference shares hereunder may be affected 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.
Reduction of capital	10	<p>The Company may (subject to the provisions of section 52, 55(1) & (2) of the Companies Act, 2013 and Section 80 of the Companies Act, 1956, to the extent applicable, and Section 100 to 105 of the Companies Act, 1956, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <ul style="list-style-type: none"> (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account. <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>
Purchase of own Shares	11	The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.
Sub-division consolidation and cancellation of Shares	12	Subject to the provisions of Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). 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.

MODIFICATION OF RIGHTS		
Modification of rights	13	<p>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 48 of the Companies Act, 2013 be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, 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, dealt with or varied by the creation or issue of further Shares ranking pari passu therewith.</p>
SHARES, CERTIFICATES AND DEMATERIALISATION		
Restriction on allotment and return of allotment	14	The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Section 39 of the Companies Act, 2013, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013.
Further issue of shares	15	<p>1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-</p> <p>a. to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely: —</p> <p>b. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;</p> <p>c. the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;</p> <p>d. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;</p> <p>e. to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or</p> <p>f. to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may</p>



		<p>be prescribed.</p> <p>2) The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>3) Nothing aforesaid shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.</p>
Shares at the disposal of the Directors	16	<p>Subject to the provisions of Section 62 of the Companies Act, 2013 and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p>
Power to offer Shares/ options to acquire Shares	16A	<p>1) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p>
		<p>2) In addition to the powers of the Board under Article 16A (1), the Board may also allot the Shares referred to in Article 16A (1) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A (1)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p>
		<p>3) The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A (1) and (2) above.</p>
Application of	17	<p>1) Where the Company issues Shares at a premium whether for cash or otherwise, a</p>

premium received on Shares		sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.
		<p>2) The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:</p> <ul style="list-style-type: none"> a. In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares; b. In writing off the preliminary expenses of the Company; c. In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ;or d. In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company. e. For the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.
Power also to Company in General Meeting to issue Shares	18	In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.
Power of General Meeting to authorize Board to offer Shares/Options to employees	18A	Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the afore said purpose. In addition to the powers contained in Article 18A (1), the General Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.
Shares at a	19	The Company shall not issue Shares at a discount except the issue of Sweat Equity



discount		<p>Shares of a class already issued, if the following conditions are fulfilled, namely:</p> <p>(a) the issue is authorized by a special resolution passed by the company;</p> <p>(b) the resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued;</p> <p>(c) not less than one year has, at the date of such issue, elapsed since the date on which the company had commenced business; and</p> <p>(d) where the equity shares of the company are listed on a recognized stock exchange, the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with the prescribed rules.</p>
Installments of Shares to be duly paid	20	<p>If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, 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 Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.</p>
The Board may issue Shares as fully paid-up	21	<p>Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.</p>
Acceptance of Shares	22	<p>Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.</p>
Deposit and call etc., to be debt payable	23	<p>The money, if any which the Board of Directors 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 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>
Liability of Members	24	<p>Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment there of.</p>
Dematerialization of securities	25A	<p>Definitions:</p> <p>Beneficial Owner “Beneficial Owner” means a person whose name is recorded as such with a Depository.</p> <p>SEBI “SEBI” means the Securities and Exchange Board of India.</p> <p>Bye-Laws “Bye-Laws” mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;</p> <p>Depositories Act “Depositories Act” means the Depositories Act, 1996 including any</p>

		<p>statutory modifications or re-enactment thereof for the time being in force;</p> <p>Depository “Depository” means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;</p> <p>Record “Record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;</p> <p>Regulations “Regulations” mean the regulations made by SEBI;</p> <p>Security “Security” means such security as may be specified by SEBI.</p>
Dematerialization of securities	25B	<p>Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.</p>
Options to receive security certificates or hold securities with depository	25C	<p>Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.</p> <p>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.</p>
Securities in depositories to be in fungible form	25D	<p>All Securities held by a Depository shall be dematerialized and shall be in a fungible form;</p>
Rights of depositories and beneficial owners	25E	<ol style="list-style-type: none"> 1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner; 2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it; 3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.
Depository To Furnish Information	25F	<p>Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.</p>
Service of documents	25G	<p>Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.</p>
Option to opt out in respect of any security	25H	<p>If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of</p>



		intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 45 and 56 of the Companies Act, 2013 not to apply	25I	Notwithstanding anything to the contrary contained in the Articles: 1) Section 45 of the Companies Act, 2013 shall not apply to the Shares held with a Depository; 2) Section 56 of the Companies Act, 2013 shall not apply to transfer of Security affected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	26	(a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to anyone of such joint owners, on behalf of all of them.
Limitation of time for issue of certificates	26A	Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	27	No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn-out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
Issue of new certificate in place of one defaced, lost or destroyed	28	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old,

		defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.
		Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
		The provision of this Article shall mutatis mutandis apply to Debentures of the Company.
The first name joint holder deemed sole holder	29	If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.
Issue of Shares without Voting Rights	30	In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.
Buy-Back of Shares and Securities	31	Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 67 and SEBI (Buy Back of Shares) Regulations as may be permitted by law.
Employees Stock Options Scheme/Plan	32	The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.
Sweat Equity	33	Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.
Postal Ballot	34	The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Companies Act, 2013 and such other applicable provisions of the Act and any future amendments or re-enactment thereof and as may be required by any other law including Listing Regulations as amended from time to time. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general



		meeting of the Company.
Company not bound to recognize any interest in Shares other than of registered holder	35	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 (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Trust recognized	36	<p>(a) 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 (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p> <p>(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.</p>
Declaration by person not holding beneficial interest in any Shares	37	<p>1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act.</p> <p>2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act.</p> <p>3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act</p> <p>4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p>
Funds of Company not to be applied in purchase of Shares of the Company	38	No funds of the Company shall except as provided by Section 67 of the Companies Act, 2013 be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 (to the extent applicable) of Companies Act, 2013 and Sections 80 and 100 to 105 of the Companies Act, 1956 and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any

		financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.
UNDERWRITING AND BROKERAGE		
Commission may be paid	39	Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company.
Brokerage	40	The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	41	Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Section 92 to the Companies Act, 2013.
DEBENTURES		
Debentures with voting rights not to be issued	42	<p>(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>(b) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 327 of the Companies Act, 2013.</p> <p>(c) Certain charges (which expression includes mortgage) mentioned in Section 77 of the Companies Act, 2013 shall be void against the Liquidator or creditor unless registered as provided in Section 77 of the Companies Act, 2013.</p> <p>(d) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>(e) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Companies Act, 2013) within six months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture- stock allotted or transferred.</p> <p>(f) The Company shall comply with the provisions of Section 71 of the Companies Act, 2013 as regards supply of copies of Debenture Trust Deed and inspection thereof.</p> <p>(g) The Company shall comply with the provisions of Section 2(16), 77 to 87 (inclusive) of the Companies Act, 2013 as regards registration of charges.</p>
CALLS		
Directors may make calls	43	(a) Subject to the provisions of Section 49 of the Companies Act, 2013 the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.



		(b)The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
Notice of call when to be given	44	Not less than fourteen 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.
Call deemed to have been made	45	A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.
Directors may extend time	46	The Directors may, from time to time, at their 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 from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.
Amount payable at fixed time or by installments to be treated as calls	47	If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
When interest on call or installment payable	48	If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding ten percent per annum as Directors shall fix from the day appointed for the payment thereof up to the time of actual payment but the Directors may waive payment of such interest wholly or in part.
Evidence in action by Company any against share holder	49	On the trial of hearing of any action or suit brought by the Company against any Member or his Legal 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 is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of 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 matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry interest	50	The Directors may, if they think fit, subject to the provisions of Section 50 of the Companies Act, 2013, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay

		<p>interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p>The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.</p>
LIEN		
Partial payment not to preclude forfeiture	51	Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
Company's lien on Shares/ Debentures	52	The Company shall have first and paramount lien upon all 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 and bonuses from time to time declared in respect of such Shares/Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article.
As to enforcing lien by sale	53	<p>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same.</p> <p>PROVIDED THAT no sale shall be made:-</p> <p>(a) Unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.</p> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their members to execute a transfer there from on behalf of and in the name of such Members.</p> <p>The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.</p>
Application of proceeds of sale	54	<p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</p>



FORFEITURE OF SHARES		
If money payable on Shares not paid notice to be given	55	If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Sum payable on allotment to be deemed a call	56	For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	57	The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	58	If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	59	When any Share shall have been so 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.
Forfeited Shares to be the property of the Company and may be sold etc.	60	Any Share 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 or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.
Member still liable for money owing at the time of forfeiture and interest	61	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 eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	62	The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and 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.

Power to annul forfeiture	63	The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
Declaration of forfeiture	64	<p>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has 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 Share.</p> <p>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.</p>
Provisions of these articles as to forfeiture to apply in case of non-payment of any sum	65	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Cancellation of shares certificates in respect of forfeited Shares	66	Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said 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.
Evidence of forfeiture	67	The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
Validity of sale	68	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.
Surrender of	69	The Directors may subject to the provisions of the Act, accept surrender of any share



Shares		from any Member desirous of surrendering on such terms and conditions as they think fit.
TRANSFER AND TRANSMISSION OF SHARES		
No transfers to minors etc.	70	No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument transfer of	71	The instrument of transfer shall be in writing and a common form of transfer shall be used and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Application transfer for	72	<p>(a) An application for registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee.</p> <p>(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.</p> <p>(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.</p>
Execution transfer of	73	The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	74	A transfer of Share 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 of the instrument of transfer.
Register of Members etc when closed	75	The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders, in accordance with Section 91 of the Companies Act, 2013 and rules made thereunder, 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.
Directors may refuse to register transfer	76	Subject to the provisions of Section 58 & 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the 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 where the Company has a lien on Shares.
Death of one or more joint holders of Shares	77	In 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 recognized by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Titles of Shares of deceased Member	78	78. 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 it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 and 56 of the Companies Act, 2013.
Notice of application when to be given	79	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Companies Act, 2013.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	80	Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy or 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 Board (which it 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 such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	81	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a	82	A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.



member		
No fee on transfer or transmissions	83	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	84	Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of transfer	85	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 of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said 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 to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, 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 Board shall so think fit.
CONVERSION OF SHARES INTO STOCK AND RECONVERSION		
Share may be converted into stock	86	The Company may, by Ordinary Resolution convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares.
Transfer of stock	87	<p>The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit.</p> <p>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 stock arose.</p>
Right of stockholders	88	The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them in Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	89	Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Shareholder" in these regulations shall include "stock" and "stock holder" respectively.
BORROWING POWERS		

Power to borrow	90	<p>Subject to the provisions of Sections 73, 74 and 179 of the Companies Act, 2013 and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source.</p> <p>PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.</p>
The payment or repayment of moneys borrowed	91	<p>The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p>
Bonds, Debentures, etc. to be subject to control of Directors	92	<p>Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors 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>
Terms of issue of Debentures	93	<p>Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. However, 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>
Mortgage of uncalled capital	94	<p>If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, 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 has been executed.</p>
Indemnity may be given	95	<p>Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability 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.</p>



RELATED PARTY TRANSACTIONS		
Related Party Transactions	96	<p>A. Subject to the provisions of the Act, the Company may enter into contracts with the Related Party which are at arm's length and are in ordinary course of business of the company with approval of the Audit Committee.</p> <p>B. Subject to the provisions of the Act, the Company may enter into contracts with the related parties which are of such nature wherein it requires consent of shareholders in terms of Act or Listing Regulations or any other law for the time being in force, with approval of the shareholders in the general meeting.</p>
MEETING OF MEMBERS		
Annual General Meeting	97	<p>i. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next.</p> <p>ii. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time with which any Annual General Meeting may be held.</p> <p>iii. Every Annual General Meeting shall be called at a time during business hours i.e. 9 a.m. to 6 p.m., on a day that is not a National holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.</p> <p>iv. The company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting.</p> <p>v. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.</p> <p>vi. At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting.</p> <p>vii. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.</p>
Report statement and registers to be laid before the Annual General Meeting	98	The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.
Extra-Ordinary General Meeting	99	All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.
Requisitionist s' Meeting	100	<p>1) Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of Members as is herein after specified:-</p> <p>a. Give to the Members of the Company entitled to receive notice of the next</p>

		<p>Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.</p> <p>b. Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.</p> <p>2) The number of Members necessary for a requisition under clause (1) hereof shall be such number of Members as represent not less than one- tenth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or</p> <p>3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.</p> <p>4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:</p> <p>a. A copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.</p> <p>i. In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting;</p> <p>ii. In the case of any other requisition, not less than two weeks before the Meeting, and</p> <p>b. There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company's expenses in giving effect thereto.</p> <p>PROVIDED THAT if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes thereof.</p> <p>5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.</p> <p>6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.</p>
Extra-Ordinary General	101	<p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p>



Meeting by Board and by requisition When a Director or any two Members may call an Extra-Ordinary General Meeting		(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
Contents of requisition, and number of requisitionists required and the conduct of Meeting	102	<p>1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (c) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>i. by the requisitionists themselves; or</p> <p>ii. by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) whichever is less.</p> <p>PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114 of the Companies Act, 2013.</p>
		<p>2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but</p> <p>(b) shall not be held after the expiration of three months from the date of deposit of the requisition.</p> <p>PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p>

		3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.
		4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.
Length of notice of Meeting	103	<p>1) A General Meeting of the Company may be called by giving not less than twenty-one days notice inwriting.</p> <p>2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>i. In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>ii. In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p>
Contents and manner of service of notice and persons on whom it is to be served	104	<p>1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>2) Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <p>(a) to every Member of the Company, in any manner authorized by Section 20 of the Companies Act, 2013</p> <p>(b) to the persons entitled to a Share in consequence of the death or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>(c) to the Auditor or Auditors for the time being of the Company</p> <p>3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p>
Special and ordinary business and explanatory statement	105	<p>1) (a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to</p> <p>i. the consideration of the accounts, balance sheet, the reports of the Board of Directors and Auditors;</p> <p>ii. the declaration of dividend;</p> <p>iii. the appointment of Directors in the place of those retiring; and</p> <p>iv. the appointment of, and the fixing of the remuneration of the Auditors, and</p> <p>(b) In the case of any other meeting, all business shall be deemed special.</p>



		<p>2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, 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 of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up- share capital of the other company.</p> <p>3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>
Omission to give notice not to invalidate Proceedings	106	The accidental omission to give such notice as aforesaid to or non-receipt thereof by any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.
MEETING OF MEMBERS		
Notice of business to be given	107	No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.
Quorum	108	<p>The quorum for General Meetings shall be as under:-</p> <ul style="list-style-type: none"> i. five members personally present if the number of members as on the date of meeting is not more than one thousand; ii. fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; iii. thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; <p>No business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Companies Act, 2013.</p>
If quorum not present when Meeting to be dissolved and when to be adjourned	109	If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting 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. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
Resolution	110	Where a resolution is passed at an adjourned Meeting of the Company, the resolution

passed at adjourned Meeting		for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	111	At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required	112	Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	113	No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	114	<p>(a) The Chairman may with the consent of 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 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, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.</p>
How questions are decided at Meetings	115	Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	116	A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of	117	.Before or on the declaration of the result of the voting on any resolution on a show



poll		of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	118	A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	119	In the case of equality of votes, the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutinizers	120	Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	121	The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	122	Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, the notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.
VOTES OF MEMBERS		
Member paying money in advance not to be entitled to vote in respect thereof	123	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 moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of	124	No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid

voting rights of Members who have not paid calls		or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	125	<p>Subject to the provisions of Article 123, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorized) have one vote and on a poll, when present in person (including a body corporate by a duly authorized representative), or by an agent duly authorized under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company.</p> <p>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 Companies Act, 2013) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares.</p> <p>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 is taken.</p>
Votes of Members of unsound mind	126	A Member of unsound mind, or in respect of whom 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.
Votes of joint Members	127	If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorized under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled there to but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of body corporate	128	(a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorize such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorized by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted



		<p>by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>(b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p>
Votes in respects of deceased or insolvent Members	129	Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
Voting in person or by proxy	130	Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 105 of the Companies Act, 2013.
Rights of Members to use votes differently	131	On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons 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
Proxies	132	Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself. PROVIDED that a proxy so appointed shall not have any right whatsoever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	133	An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	134	No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	135	The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company atleast forty eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	136	Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms as prescribed in the Companies Act, 2013, and signed by the appointer or his attorney duly authorized in

		writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorized by it.
Validity of votes given by proxy notwithstanding revocation of authority	137	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	138	No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	139	The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	140	If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy there of examined with the original shall be delivered to the Company to remain in the custody of the Company.
DIRECTORS		
Number of Directors	141	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen.
	141A	First Directors of the Company were: i. Prakash Padmanabh Pillai ii. Padmanabh Gopal Pillai
Appointment of Directors	142	The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
Debenture Directors	143	Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee	144	(a) Notwithstanding anything to the contrary contained in these Articles, so long as



Director or Corporation Director		any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places.
		(b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.
		(c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall ipso facto vacate such office immediately on the moneys owing by the Company to the Corporation being paid off.
		(d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.
		(e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation.
		Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.
Special Director	145	(a) In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company,

		<p>corporation, firm or person herein-after in this clause referred to as “collaboration” to appoint from time to time any person as director of the company (hereinafter referred to as “special director”) and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.</p> <p>(b) The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.</p> <p>(c) It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment.</p>
Limit on number of non-retiring Directors	146	The provisions of Articles 143, 144 and 145 are subject to the provisions of Section 152 of the Companies Act, 2013 and number of such Directors appointed shall not exceed in the aggregate one third of the total number of Directors for the time being in office.
Alternate Director	147	The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Directors may fill in vacancies	148	The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	149	Subject to the provisions of Section 161 of the Companies Act, 2013 the Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board (“Additional Director”) so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only up to the date of the next Annual General Meeting and shall be eligible for election at such Meeting.



Qualification shares	150	A Director need not hold any qualification shares.
Directors' sitting fees	151	The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.
Extra remuneration to Directors for special work	152	<p>Subject to the provisions of Sections 188 and 197 of the Companies Act, 2013, if any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:</p> <ol style="list-style-type: none"> by way of monthly, quarterly or annual payment with the approval of the Central Government; or by way of commission if the Company by a Special Resolution authorized such payment.
Traveling expenses incurred by Directors on Company's business	153	The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company 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 traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	154	The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.
Board resolution necessary for certain contracts	155	<p>(a) Subject to the provisions of Section 188 of the Companies Act, 2013, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company:</p> <ol style="list-style-type: none"> For the sale, purchase or supply of goods, materials or services; or for underwriting the subscription of any Share in or debentures of the Company; nothing contained in clause (a) of sub-clause (1) shall affect:- <ol style="list-style-type: none"> the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or

		<p>ii. any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business.</p> <p>PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.</p>
		<p>(b) Notwithstanding any contained in sub-clause (1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(c) Every consent of the Board required under this Article shall be accorded by are solution passed at a meeting of the Board required under clause and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into</p>
		<p>(d) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(e) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realized by any such contract or the fiduciary relation there by established.</p>
Disclosure to the Members of Directors' interest in contract appointing Managers, managing Director or Whole-time Director	156	<p>When the Company:-</p> <p>(a) enters into a contract for the appointment of a Managing Director or Whole-time Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Companies Act, 2013 shall be complied with.</p>
Directors of interest General notice of disclosure	157	<p>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Companies Act, 2013.</p> <p>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 184 of the Companies Act, 2013 shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the</p>



		financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.
Directors and Managing Director may contract with Company	158	Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Companies Act, 2013 and in this respect all the provisions of Section 184 and 189 of the Companies Act, 2013 shall be duly observed and complied with.
Disqualification of the Director	159	A person shall not be capable of being appointed as a Director of the Company if:- (a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force; (b) he is an un-discharged insolvent; (c) he has applied to be adjudged an insolvent and his application is pending; (d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; (e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or (f) an order disqualifying him for appointment as Director has been passed by a Court, unless the leave of the Court has been obtained for his appointment.
Vacation of office by Directors	160	The office of Director shall become vacant if:- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or (b) he applies to be adjudged an insolvent; or (c) he is adjudged an insolvent; or (d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or (e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or (f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or (g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Companies Act, 2013; or (h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be

		<p>entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 184 of the Companies Act, 2013; or</p> <p>(i) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or</p> <p>(j) if by notice in writing to the Company, he resigns his office, or</p> <p>(k) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p>
Vacation of office by Directors (contd.)	161	<p>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 160 hereof, the disqualification referred to in these clauses shall not take effect:</p> <p>(a) for thirty days from the date of the adjudication, sentence or order;</p> <p>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or</p> <p>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p>
Removal of Directors	162	<p>(a) The Company may subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 242 of the Companies Act, 2013 before the expiry of his period of office.</p> <p>(b) Special Notice as provided by these Articles or Section 115 of the Companies Act, 2013 shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.</p>
		<p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <ol style="list-style-type: none"> in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting: <p>Provided that copies of the representation need not be sent or read out at the Meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights concerned by this sub-</p>



		<p>clause are being abused to secure need less publicity for defamatory matter.</p> <p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the Companies Act, 2013 be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause (e) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 148 or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly</p> <p>Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.\</p> <p>(g) Nothing contained in this Article shall be taken:-</p> <ol style="list-style-type: none"> i. as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or ii. as derogating from any power to remove a Director which may exist apart from this Article.
Interested Directors not to participate or vote in Board's proceedings	163	<p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void.</p> <p>Provided however, that nothing herein contained shall apply to:-</p> <p>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</p> <p>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;</p> <ol style="list-style-type: none"> i. in his being: <ol style="list-style-type: none"> (a) a director of such company; and (b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or ii. in his being a member holding not more than two percent of its paid-up share capital.
Director may be director of companies promoted by the Company	164	<p>A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197 or Section 188 of the Companies Act, 2013 may be applicable.</p>
ROTATION AND APPOINTMENT OF DIRECTORS		

Rotation of Directors	165	<p>Not less than two third of the total number of Directors shall:</p> <p>(a) Be persons whose period of the office is liable to termination by retirement by rotation and</p> <p>(b) Save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p>
Retirement of Directors	166	<p>Subject to the provisions of Articles 145 and 147, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.</p>
Retiring Directors	167	<p>Subject to the provisions of Section 152 of the Companies Act, 2013 and Articles 143 to 154, at every Annual General Meeting of the Company, one- third or 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 the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 180, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.</p>
Appointment of Technical or Executive Directors	168	<p>(a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p> <p>(b) Subject to the provisions of Section 161 of the Companies Act, 2013 if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.</p>
Ascertainment of Directors retiring by rotation and filling of vacancies	169	<p>Subject to Section 152 of the Companies Act, 2013 the Directors retiring by rotation under Article 167 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.</p>
Eligibility for re-election	170	<p>A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.</p>
Company to fill vacancies	171	<p>At the General Meeting, at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.</p>
Provision in default of appointment	172	<p>(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:</p> <p>i. at that Meeting or the previous Meeting a resolution for the re- appointment of such Director has been put to the Meeting and lost.</p>



		<p>ii. the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be re-appointed.</p> <p>iii. he is not qualified or is disqualified for appointment.</p> <p>iv. a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or</p> <p>v. section 162 of the Companies Act, 2013 is applicable to the case.</p>
Company may increase or reduce the number of Directors or remove any Director	173	Subject to the provisions of Section 149 and 152 of the Companies Act, 2013 the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted individually	174	<p>(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.</p> <p>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.</p> <p>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.</p>
Notice of candidature for office of Directors except in certain cases	175	<p>1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days' notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.</p> <p>2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office in such manner as may be prescribed.</p> <p>3) Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>4) A person other than:</p> <p>(a) a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or</p> <p>(b) an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013 appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office</p>

		shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.
Disclosure by Directors of their holdings of their Shares and debentures of the Company	176	Every Director and every person deemed to be Director of the Company by virtue of Section 170 of the Companies Act, 2013 shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.
Votes of Body Corporate	177	A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.
MANAGING DIRECTOR		
Powers to appoint Managing Director	178	Subject to the provisions of Section 196 and 203 of the Companies Act, 2013 the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, 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. The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956, to the extent applicable subject to the provisions of Section 152 of the Companies Act, 2013 the Managing Director shall not be, while he continues to hold that office, subject to retirement by rotation.
Remuneration of Managing Director	179	Subject to the provisions of Sections 196 and 197 of the Companies Act, 2013 a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.
Special position of Managing Director	180	Subject to any contract between him and the Company, a Managing or Whole- time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
Powers of	181	The Director may from time to time entrust to and confer upon a Managing Director



Managing Director		or Whole-time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and they may 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 from time to time, revoke, withdraw, alter, or vary all or any of such powers.
	182	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.
	183	Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign, accept and endorse cheques on behalf of the Company.
	184	The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
	185	Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Appointment and powers of Manager	186	The Board may, from time to time, appoint any person as Manager (under Section 2(53) of the Companies Act, 2013) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient.
WHOLE TIME DIRECTOR		
Power to appoint Whole-Time Director and/or Whole-time Directors	187	Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine and thinks fit. The Board may by ordinary resolution and/or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers, authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and/or remove

		or dismiss him or them and appoint another or others in his or their place or places again out of the Directors/persons nominated under Article 188 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.
To what provisions Whole time Directors shall subject	188	Subject to the provisions of Section 152 of the Companies Act, 2013 and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors and he/they shall ipso facto and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act in any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.
Seniority of Whole Time Director and Managing Director	189	If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article, the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company.
PROCEEDINGS OF THE BOARD OF DIRECTORS		
Meeting of Directors	190	The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Companies Act, 2013 allow otherwise, Directors shall so meet at least once in every three months and at least four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	191	<p>(a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher.</p> <p>PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of directors who are not interested present at the Meeting being not less than two shall be, the quorum during such time.</p> <p>(b) For the purpose of clause(a)</p> <p>i. "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and</p>



		ii. "Interested Directors" mean any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.
Procedure when Meeting adjourned for want of quorum	192	If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	193	The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.
Question at Board meeting how decided	194	Subject to the provisions of Section 203 of the Companies Act, 2013 questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	195	A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	196	The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Companies Act, 2013 and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	197	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. Quorum for the Committee meetings shall be two.
Circular resolution	198	<p>(a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 197 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held.</p> <p>(b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to</p>

		vote on the resolution.
Acts of Board or Committee valid notwithstanding defect in appointment	199	All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision 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; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
POWERS OF THE BOARD		
General powers of management vested in the Board of Directors	200	The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but 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.
		<p>Provided that the Board shall not, except with the consent of the Company in General Meeting :-</p> <ul style="list-style-type: none"> (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking; (b) remit, or give time for the repayment of, any debt due by a Director, (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
		<ul style="list-style-type: none"> (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body; <ul style="list-style-type: none"> i. Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be total amount which may be contributed



		<p>to charitable or other funds in a financial year under clause(e)</p> <p>ii. Provided further that the expression “temporary loans” in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p>
Certain powers to be exercised by the Board only at Meetings	201	<p>1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>the power to issue Debentures,</p> <p>the power to borrow moneys otherwise than on Debentures,</p> <p>(a) the power to invest the funds of the Company, and</p> <p>(b) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub- clause (c),(d) and (e) to the extent specified below.</p> <p>2) Every resolution delegating the power referred to in sub-clause (1)(c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>3) Every resolution delegating the power referred to in sub-clause (1)(d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>4) Every resolution delegating the power referred to in sub-clause (1)(e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
Certain powers of the Board	202	<p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <p>1) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.</p> <p>3) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p>
		<p>4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or other</p>

		<p>securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages 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> <ol style="list-style-type: none"> 5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. 6) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed. 7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees. 8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made there on. 9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies. 10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. 11) Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name. 12) 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 surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
		<ol style="list-style-type: none"> 13) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose. 14) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of the working expenses of the Company. 15) To provide for the welfare of Directors or ex-Directors or employees or ex-



		<p>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 293(1)(e) 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.</p> <p>16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, 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>17) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, 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 fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as 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 and the provisions contained in the four next following sub-clauses shall be without</p>

		<p>prejudice to the general powers conferred by this sub-clause.</p> <p>18) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>19) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>20) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorize the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p>
		<p>21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person 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 subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>22) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>23) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>24) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>25) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses</p>



		thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
		<p>26) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable 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>27) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>28) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>29) 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.</p> <p>30) 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 freehold 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.</p> <p>31) 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.</p> <p>32) To let, sell or otherwise dispose of subject to the provisions of Section 293 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.</p> <p>33) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>34) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>
MANAGEMENT		
Appointment of different categories of Key	203	<p>The Company shall have the following whole-time key managerial personnel,—</p> <ol style="list-style-type: none"> i. managing director, or Chief Executive Officer or manager and in their absence, ii. a whole-time director; iii. company secretary; and

managerial personnel		iv. Chief Financial Officer
Same person may be Chairperson of the Board and MD/CEO	203A	The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.
MINUTES		
Minutes to be made	204	<p>1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:</p> <p style="padding-left: 40px;">(a) in the case of minutes of proceedings of a meeting of Board or of a Committee there of by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p style="padding-left: 40px;">(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.</p>
Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept	205	<p>(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.</p> <p>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 and Section 120 of the Companies Act, 2013 and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.</p>
Presumptions	206	Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Companies Act, 2013 until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.
THE SECRETARY		
Secretary	207	The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called “the Secretary”) to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies



		Act, read with rules made thereunder.
The Seal, its custody and use	208	<p>(a) The Board shall provide for the safe custody of the seal.</p> <p>(b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least one director and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</p>
DIVIDENDS AND CAPITALISATION OF RESERVES		
Division of profits	209	<p>(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 Share in the Company, dividends may be declared and paid according to the amounts of the Shares;</p> <p>(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</p>
The Company at General Meeting may declare dividend	210	The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Companies Act, 2013 but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	211	No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 123 of the Companies Act, 2013.
Interim Dividend	212	The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.
Debts may be deducted	213	<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) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.</p>
Capital paid-up in advance to carry interest, not the right to earn dividend	214	Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividends in proportion to amounts paid-up	215	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 provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.
No Member to receive dividend	216	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

while indebted to the Company and the Company's right in respect thereof		or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	217	A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	218	218.Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	219	The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in 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. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	220	Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.
Reserves	221	The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied 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 Directors may from time to time think fit.
Dividend to be paid within time required by law.	222	The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-where the dividend could not be paid by reason of the operation on any law; or where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or where there is dispute regarding the right to receive the dividend; or where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
Unpaid or unclaimed dividend	223	Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “_____ (year)Unpaid Dividend Account”. Any money transferred to the unpaid dividend



		account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Companies Act, 2013. No unclaimed or unpaid dividend shall be forfeited by the Board.
Set-off of calls against dividends	224	Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.
Dividends in cash	225	No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.
Capitalisation	226	<p>1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <ul style="list-style-type: none"> (a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and (b) That such sum be accordingly set free for distribution in the manner specified in clause amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion. <p>2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;</p> <ul style="list-style-type: none"> (a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or (b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or (c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause (b) <p>3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.</p>
Board to give effect	227	The Board shall give effect to the resolution passed by the Company in pursuance of above Article.
Fractional certificates	228	<p>1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;</p> <ul style="list-style-type: none"> a. make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and b. Generally do all acts and things required to give effect thereto. <p>2) The Board shall have full power:</p> <ul style="list-style-type: none"> a. to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also b. to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalized of the amounts remaining

		<p>unpaid on their existing Shares.</p> <p>3) Any agreement made under such authority shall be effective and binding on all such Members.</p> <p>4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.</p>
ACCOUNTS		
Books to be kept	229	<p>1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:</p> <ol style="list-style-type: none"> all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place all sales and purchases of goods by the company the assets and liabilities of the Company and if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause(1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.</p>
Inspection by Members	230	No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board.
Statements of accounts to be furnished to General Meeting	231	The Board of Directors shall from time to time in accordance with Sections 129, 133, and 134 of the Companies Act, 2013, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
Right of Members or others to copies of balance sheet	232	<p>1) The Company shall comply with the requirements of Section 136 of the Companies Act, 2013.</p> <p>2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the</p>



and Auditors' report and statement under Section 136		<p>Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.</p> <p>3) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.</p>
Accounts to be audited	233	<p>Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.</p>
Appointment of Auditors	234	<p>1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 of the Companies Act, 2013.</p> <p>2) The Company shall at each Annual General Meeting appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. The company shall place the matter relating to such appointment for ratification by members at every annual general meeting. The company shall also inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.</p> <p>3) The company or shall not appoint or re-appoint-</p> <p>(a) an individual as auditor for more than one term of five consecutive years; and</p> <p>(b) an audit firm as auditor for more than two terms of five consecutive years:</p> <p>Provided that—</p> <p>i. an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term;</p> <p>ii. an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term:</p> <p>4) Subject to the provisions of Clause (1) and the rules made thereunder, a retiring auditor may be re-appointed at an annual general meeting, if—</p> <p>(a) he is not disqualified for re-appointment;</p> <p>(b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and</p> <p>(c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.</p> <p>5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.</p> <p>6) Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.</p> <p>7) Special notice shall be required for a resolution at an annual general meeting appointing as auditor a person other than a retiring auditor, or providing expressly that a retiring auditor shall not be re-appointed, except where the retiring auditor has completed a consecutive tenure of five years or, as the case may be, ten years,</p>

		as provided under Clause(3).
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	235	Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.
DOCUMENTS AND NOTICES		
To whom documents must be served or given	236	Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company
Members bound by documents or notices served on or given to previous holders	237	Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	238	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 post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and proceedings	239	Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorized officer of the Company and need not be under the Seal of the Company.
REGISTERS AND DOCUMENTS		
Registers and documents to be maintained by the Company	240	<p>The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:</p> <ul style="list-style-type: none"> (a) Register of investments made by the Company but not held in its own name, as required by Section 187 of the Companies Act, 2013 (b) Register of mortgages and charges as required by Section 85 of the Companies Act, 2013 and copies of instruments creating any charge requiring registration according to Section 85 of the Companies Act, 2013. (c) Register and index of Members and debenture holders as required by Section 88 of the Companies Act, 2013. (d) Foreign register, if so thought fit, as required by Section 88 of the Companies Act, 2013. (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Companies Act, 2013. (f) Register of Directors and Secretaries etc. as required by Section 170 of the Companies Act, 2013. (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 170 of the Companies Act, 2013. (h) Register of investments made by the Company in Shares and Debentures of



		<p>the bodies corporate in the same group as required by Section 186 of the Companies Act, 2013.</p> <p>(i) Copies of annual returns prepared under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Companies Act, 2013.</p>
Inspection of Registers	241	<p>The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.</p>
WINDING UP		
Distribution of assets	242	<p>242.If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.</p>
Distribution in specie or kind	243	<p>(a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.</p> <p>(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p>
Right of	244	<p>A Special Resolution sanctioning a sale to any other Company duly passed pursuant</p>

shareholders in case of sale		to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.
Directors and others right to indemnity	245	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, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter 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 office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court.
Director, officer not responsible for acts of others	246	Subject to the provisions of Section 201 of the Act, no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for and 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 for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.
SECRECY CLAUSE		
Secrecy Clause	247	Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except sofar as may be necessary in order to comply with any of the provisions in these presents contained.
No Member to enter the premises of the Company	248	No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in



without permission		the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be in expedient in the interest of the Company to disclose.
GENERAL		
General Power	249	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

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SECTION X- OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus to be delivered to the RoC for filing and the documents for inspection referred to hereunder, may be inspected at the Registered office: 1803, Lodha Supremus, Saki Vihar Road, Opp. Telephone Exchange, Powai, Mumbai City, Maharashtra, India, 400072, India from the date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Issue Agreement/ Memorandum of Understanding dated June 01, 2024 between our company and the Book Running Lead Manager.
2. Agreement dated June 28, 2024, between our company and the Registrar to the Issue.
3. Public Issue Agreement dated September 13, 2024 among our Company, the Book Running Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated September 13, 2024 between our company and the Underwriters.
5. Market making Agreement dated September 13, 2024 between our company, the Book Running Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated August 05, 2024.
7. Agreement among CDSL, our company and the registrar to the issue dated February 08, 2024.

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated June 01, 2024 in relation to the Issue and other related matters.
3. Shareholders' resolution dated June 04, 2024 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor and Market Maker to act in their respective capacities.
5. Peer Review Auditors Report dated June 10, 2024, on Restated Financial Statements of our Company for the period ended December 31, 2023 and the years ended March 31, 2023, 2022 and 2021.
6. Peer Review Auditors Report dated September 10, 2024, on Restated Financial Statements of our Company for the years ended March 31, 2024, 2023 and 2022.
7. The Report dated June 10, 2024, 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 Prospectus.
8. The Report dated June 27, 2024 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
9. The Report dated September 17, 2024 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
10. Copy of approval from NSE Emerge vide letter dated September 06, 2024 to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
11. Due Diligence Certificate submitted to SEBI dated June 28, 2024 from Book Running Lead Manager to the Issue.



12. Due Diligence Certificate submitted to SEBI dated September 18, 2024 from Book Running Lead Manager to the Issue.
13. Due Diligence Certificate submitted to SEBI dated October 01, 2024 from Book Running Lead Manager to the Issue.
14. Key Performance Indicator Certificate provided by M/s KRA & Co., Chartered Accountant dated June 10, 2024.
15. The resolution related to Key Performance Indicator (KPI) is passed by the audit committee dated June 10, 2024.
16. Key Performance Indicator Certificate For the period ended March 31, 2024 provided by M/s KRA & Co., Chartered Accountant dated September 14, 2024.
17. The resolution related to Key Performance Indicator (KPI) For the period ended March 31, 2024 is passed by the audit committee dated September 13, 2024.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

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SECTION XI - DECLARATION

We, hereby declare that, all the relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in this Prospectus are true and correct.

Signed by the Directors of our Company					
S. No.	Name	Category	Designation	DIN/PAN	Signature
1.	Mr. Varun Gupta	Executive	Managing Director	00471296	Sd/-
2.	Mr. Pratik Gupta	Executive	Director	06576759	Sd/-
3.	Mr. Manoj Kumar	Non-Executive	Non-Independent Director	10345101	Sd/-
4.	Mr. Satish Chandra Sharma	Non-Executive	Independent Director	06644259	Sd/-
5.	Ms. Priyanka Agarwal	Non-Executive	Independent Director	08089006	Sd/-
Signed by the “Chief Financial Officer” and “Company Secretary & Compliance Officer” of our Company					
6.	Mr. Pramod Kumar Gupta	Full-time	Company Secretary and Compliance Officer	AAFPG7855C	Sd/-
7.	Mr. Pratik Gupta	Full-time	Chief Financial Officer	ALMPG3000F	Sd/-

Place: Mumbai

Date: October 01, 2024